

FRANKLIN COUNTY, OHIO

Comprehensive Annual Financial Report



For the year ended December 31, 2005
Joseph W. Testa, Auditor

About the Cover – *The Nature of Franklin County*

Battelle Darby Creek Metro Park

Purple and grey-headed coneflowers bloom at Battelle Darby Creek in late summer.

Photo by Mac Albin

Indian Run

The upper falls at Indian Run in Dublin. The new pedestrian bridge, built as part of a nature trail through the park, can be seen in the background.

Photo courtesy of David Ball, City of Dublin

Gantz Park

A professionally landscaped herb garden and a renovated barn are the focal points at Gantz Park. This 27-acre facility features active and passive pursuits for visitors of all ages, and is operated by the City of Grove City.

Photo courtesy of Grove City Community Relations Office

Everal Barn at Heritage Park in Westerville

Everal Barn and Homestead, located at 60 N. Cleveland Avenue in Heritage Park, are two Westerville focal points and are listed in the National Register of Historic Places. These beautifully restored facilities are popular places to hold weddings, meetings, receptions and social affairs.

Photo by Scott McAfee, City of Westerville Community Affairs Coordinator

Franklin County Metro Parks

A great egret searches for food at one of the many wetlands at Metro Parks.

Photo by Kim Graham

Big Darby Creek

One of Ohio's most colorful fish, the rainbow darter, can be found in the shallow riffles at Big Darby Creek.

Photo by Mac Albin

Highbanks Metro Park

Highbanks Metro Park features more than ten miles of trails through lush woods and fields.

Photo by Eugene Barnes

Blacklick Creek in Civic Park in Reynoldsburg

Blacklick Creek is the main body of water that runs the entire length of Reynoldsburg from north to south. It runs through Civic Park, John F Kennedy Park, Huber Park and Blacklick Woods.

Photo by Paul Walsh, Director of the City of Reynoldsburg Parks & Recreation Department

Woodmark Woods

A mayapple in bloom at Woodmark Woods in Gahanna, Ohio.

Photo courtesy of the Gahanna Parks and Recreation Department

Comprehensive Annual Financial Report

For the Year Ended December 31, 2005



Joseph W. Testa **Franklin County Auditor**

Prepared by the Fiscal Services Division

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2005

TABLE OF CONTENTS

	<u>Page</u>
<u>I. INTRODUCTORY SECTION:</u>	
Letter of Transmittal	1
GFOA Certificate of Achievement	8
Franklin County Government Organizational Chart	9
Franklin County Elected Officials	10
<u>II. FINANCIAL SECTION:</u>	
Independent Accountants' Report	11
Management's Discussion and Analysis	13
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	28
Statement of Activities	29
Fund Financial Statements:	
Balance Sheet – Governmental Funds	30
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities.....	32
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	33
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	35
Statements of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis):	
General Fund	36
Board of MR & DD Fund	37
Children Services Board Fund	38
Public Assistance Fund	39
ADAMH Board Fund	40
Statement of Net Assets – Proprietary Funds	41
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds	42
Statement of Cash Flows – Proprietary Funds	43
Statement of Fiduciary Assets and Liabilities– Fiduciary Funds	45
Notes to the Basic Financial Statements	46
Combining Statements and Individual Fund Schedules – Governmental Funds:	
Fund Descriptions – Governmental Funds.....	86
Combining Statements – Nonmajor Governmental Funds:	
Combining Balance Sheet – Nonmajor Governmental Funds	87
Combining Balance Sheet – Nonmajor Special Revenue Funds	88
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	93
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	94
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	98

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2005

TABLE OF CONTENTS

Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis):	
Major Funds.....	99
Nonmajor Funds.....	108
Combining Statements and Individual Fund Schedules – Proprietary Funds:	
Enterprise Funds:	
Fund Descriptions	129
Individual Fund Schedules of Revenues, Expenses and Changes in Fund Equity- (Non-GAAP Budgetary Basis).....	130
Internal Service Funds:	
Fund Descriptions	132
Combining Statement of Net Assets	133
Combining Statement of Revenues, Expenses and Changes in Net Assets	134
Combining Statement of Cash Flows	135
Individual Fund Schedules of Revenues, Expenses and Changes in Fund Equity- (Non-GAAP Budgetary Basis)	136
Combining Statement – Fiduciary Funds:	
Fund Descriptions	138
Combining Statement of Changes in Fiduciary Assets and Liabilities – Agency Funds	139
Combining Statements - Component Units:	
Fund Descriptions	140
Combining Statement of Net Assets	141
Combining Statement of Activities	142

III. STATISTICAL SECTION:

Statistical Section Descriptions	143
Net Assets by Component – Last Four Years (Table 1)	144
Changes in Net Assets – Last Four Years (Table 2)	145
Fund Balances, Governmental Funds – Last Ten Years (Table 3)	147
Changes in Fund Balances, Governmental Funds – Last Ten Years (Table 4)	148
Assessed and Estimated Actual Value of Taxable Property – Last Ten Years (Table 5)	149
Real Property Value and Construction – Last Ten Years (Table 6)	150
Property Taxes on a \$100,000 Owner-Occupied Home or a Business (Table 7)	151
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years (Table 8)	152
Principal Property Taxpayers – Current Year and Nine Years Ago (Table 9)	154
Property Tax Levies and Collections – Last Ten Years (Table 10)	155
Property Tax Rates – Voted and Unvoted (Table 11)	156
Other Major General Fund Revenue Sources – Last Ten Years (Table 12)	157
Ratios of Outstanding Debt by Type – Last Ten Years (Table 13)	158
Ratios of General Bonded Debt Outstanding – Last Ten Years (Table 14)	159
Computation of Legal Debt Margin – Last Ten Years (Table 15)	160
Computation of Direct and Overlapping Debt (Table 16)	161
Demographic and Economic Statistics – Last Ten Years (Table 17)	162
Principal Employers – Current Year and Nine Years Ago (Table 18)	163
County Government Employees by Function/Activity (Table 19)	164
Operating Indicators and Capital Asset Statistics– Last Four Years (Table 20)	165
Securities and Exchange Commission Rule 15c2-12 Compliance Information (Table 21)	168



Introductory Section



FRANKLIN COUNTY AUDITOR

JOSEPH W. TESTA

June 29, 2006

Citizens of Franklin County, Ohio:

As Auditor of Franklin County, Ohio, (the County), I am pleased to present the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2005. This CAFR conforms to generally accepted accounting principles (GAAP) as applicable to local government entities. The report has been filed with the Auditor of State pursuant to Ohio Revised Code (ORC) Section 117.38. Responsibility for the accuracy of the data and the completeness and fairness of the presentation rests with the County's management. We believe the data is accurate in all material respects and fairly reflects the County's financial position and the results of its operations. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

In implementing the County's integrated, automated accounting system, consideration was given to incorporating sound internal controls. Internal controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability and accuracy of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of the controls should not outweigh their benefits. The accounting system encompasses appropriations, encumbrances, expenditures, revenues, payroll, and capital assets and ensures the financial information generated is both accurate and reliable.

In County government, internal controls are enhanced through the separation of powers. The Commissioners, the Auditor and the Treasurer share the management and administration of the County's financial resources, providing an inherent system of checks and balances. Each of the County's elected officials and agency directors is responsible for internal controls over the cash collection function within their office. Some County offices and agencies hold money in bank accounts outside the County treasury. The individual offices and agencies are responsible for the transaction activity through and reconciliation of those accounts.

U.S. Office of Management and Budget Circular A-133 requires an independent audit to be conducted annually. The audit, which includes procedures to fulfill federal Single Audit requirements, serves to maintain and strengthen the integrity of the County's accounting and budgetary controls. Included in this CAFR is the report of Betty Montgomery, Auditor of State. The State Auditor has issued an unqualified ("clean") opinion on the County's financial statements for the year ended December 31, 2005. The Single Audit is published under separate cover and can be obtained by sending a written request to the Franklin County Auditor, Fiscal Services Division, 373 South High Street, 21st Floor, Columbus, Ohio 43215-6310.

The CAFR is presented in three sections: introductory, financial, and statistical. The Introductory Section includes this transmittal letter, the Certificate of Achievement awarded to the County for 2004, an organizational chart and a list of elected officials. The Financial Section contains the Independent Accountants' Report, Management's Discussion and Analysis (MD&A), the basic financial statements and notes, and the combining nonmajor and individual fund financial statements and schedules. The Statistical Section includes selected financial, economic and demographic information that may be useful for further analysis and comparison as well as disclosures required under Rule 15c2-12 of the Securities and Exchange Commission.

The MD&A provides a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Franklin County's MD&A can be found immediately following the Independent Accountants' Report.

Each year we also publish the Franklin County Annual Report (PAFR) that provides significant financial information in a reader-friendly format. Unlike this CAFR, the PAFR does not conform to GAAP and should be used as a supplement to, not in place of, the CAFR. Both the CAFR and the PAFR can be accessed through the Internet on our web site—<http://www.franklincountyauditor.com>.

Profile of Franklin County Government

Formed in 1803, Franklin County is a political subdivision of the State of Ohio and has only those powers conferred upon it by state law. *Governing* magazine and The Maxwell School at Syracuse University conducted the Government Performance Project, a collaborative study of the nation's 40 largest counties. The results were published in 2002. Franklin County received a "B" overall rating. Only four counties in the United States rated a better overall grade. The following offices respectively hold the primary responsibility for budgeting, accounting and cash management in Franklin County. Each officeholder is elected to a four-year term.

The three-member Board of Commissioners (the Commissioners) serves as the taxing authority, the contracting body and the chief administrator of public services. The Commissioners adopt and oversee the annual operating budget and approve expenditures.

As the County's chief fiscal officer, the Auditor is responsible for maintaining accurate records of all money received by or paid out of the County treasury. As the tax assessor for all political subdivisions within the County, the Auditor is responsible for computing the taxing rates for personal property and real estate as determined by proper taxing authorities and popular vote.

As the County's banker, the Treasurer serves as custodian and investment officer for County funds. The Treasurer collects real estate and personal property taxes, and taxes on manufactured homes.

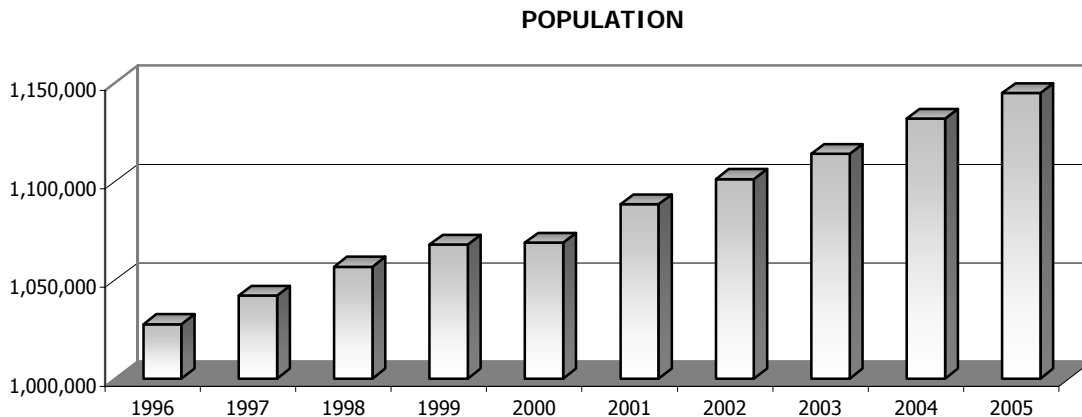
The financial statements contained within this CAFR include all funds, agencies, boards and commissions that are not legally separate and for which Franklin County (the primary government and reporting entity) is financially accountable. The County provides many services to its citizens including tax collection and distribution, civil and criminal justice systems, public safety, health assistance, human services, and road and bridge maintenance. The County also operates two public parking garages and several water supply and sewage treatment systems. The County does not operate schools or hospitals, nor is it responsible for refuse collection or fire safety services.

Organizations that are legally separate from the County are included as component units if the County's elected officials appoint a voting majority of the organization's governing body and (1) the County has the ability to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The following entities are included in the financial statements as component units: ARC Industries, Inc., Veterans Memorial Hall, and Stadium and Team. A complete discussion of the reporting entity is provided in note 1 to the basic financial statements.

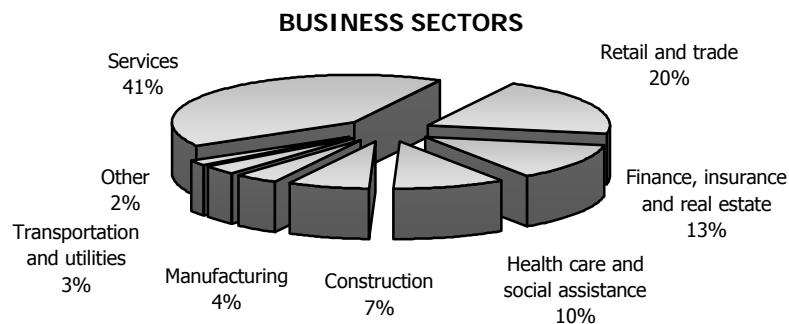
Note 19 to the basic financial statements presents information about joint ventures with the City of Columbus, including the Franklin Park Conservatory Joint Recreation District, the Columbus/Franklin County Affordable Housing Trust Corporation and the Columbus Regional Airport Authority. Other related organizations including the Central Ohio Workforce Investment Corporation, the Columbus Metropolitan Library, the Columbus Metropolitan Housing Authority, the Columbus and Franklin County Metropolitan Park District, the Franklin County Family and Children First Council, the Franklin County Convention Facilities Authority, the New Albany Community Authority District Board of Trustees, and the Pinnacle Community Infrastructure Financing Authority Board of Trustees are discussed in note 20.

Economic Condition and Outlook

The County is located in central Ohio, within 500 miles of half the nation's population. The Mid-Ohio Regional Planning Commission has estimated the County's population to be 1,144,820 at December 31, 2005, an increase of 1.1 percent for the year and 11.4 percent in the last ten years. Columbus, the largest city in the County, serves as the state capital and the county seat, and is home to The Ohio State University. The County encompasses 12 cities, 17 townships, and 14 villages.



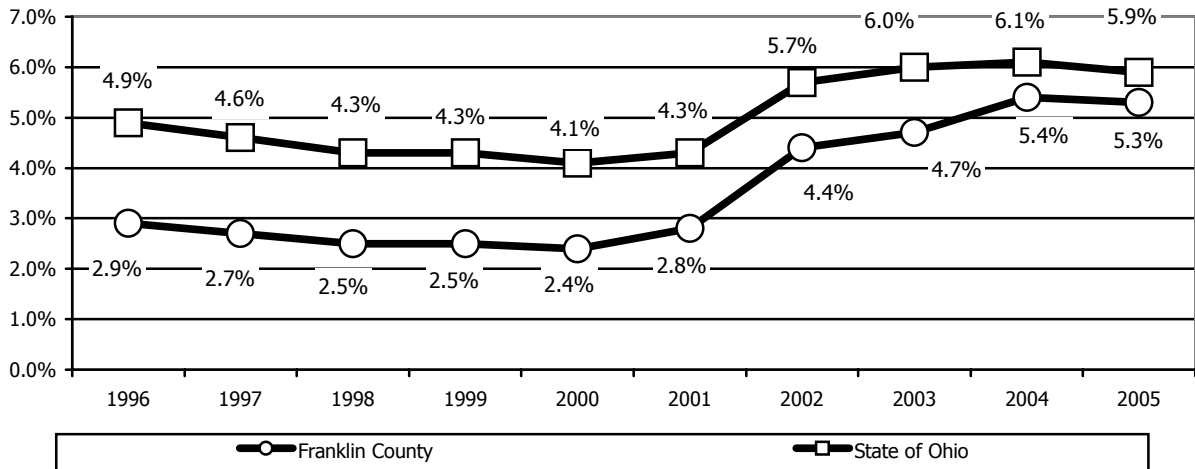
Local Economy Central Ohio is among the more economically stable metropolitan areas in the United States. The area may lag a bit during boom periods, but it has also shown resiliency during recessions. The economy is broad-based, with no single industry dominating it. Nationwide Insurance, Limited Brands, and Wendy's International have located their headquarters and home offices in Franklin County. The chart below shows the proportionate number of establishments in the various industries (excluding government), as reported by the U.S. Census Bureau, County Business Patterns for 2003.



Government and education are also major employers. Together, the State of Ohio, U.S. Government, City of Columbus, and Franklin County employ 55,000 people. Almost 27,000 people are employed by either The Ohio State University or Columbus Public Schools.

Although the diversity of business sectors helps the region weather the economic fluctuations experienced on a larger scale elsewhere, Central Ohio has experienced slower economic growth recently which appears to have improved somewhat in 2005. The County's average unemployment rate dropped slightly from 5.4 percent in 2004 to 5.3 percent in 2005. The County's unemployment rate continued to be below the state average of 5.9 percent.

UNEMPLOYMENT RATES



A factor contributing to the lower unemployment rate is the County's well-educated workforce. Based on 2003 educational attainment data published by the U. S. Census Bureau, 34.6 percent of County residents ages 25 and older have completed four or more years of college, and another 54.1 percent have graduated from high school.

The current economic environment has resulted in a slight decline in the County's traditionally strong revenue base. A sales tax of 6.75 percent is collected by the State of Ohio on sales made in Franklin County. Since October 1, 2005, the tax has been split as follows: 5.50 percent for the State of Ohio; 1.00 percent for the County's General Fund; and 0.25 percent for the Central Ohio Transit Authority (COTA). The County receives no direct funding through income taxes. Property taxes are a significant revenue source for the General Fund and these County agencies: Children Services, the Board of Mental Retardation and Developmental Disabilities, the Alcohol, Drug and Mental Health Board, and the Office on Aging.

The total value of new construction was \$1.8 billion in 2005, with \$1.2 billion in residential/agricultural and \$601 million in commercial/industrial construction. In comparison, 2004 total new construction was \$1.5 billion, with \$1.06 billion in residential/agricultural and \$436 million in commercial/industrial. Overall, real property continues to appreciate in value. The appraisal cycle is six years, with an update performed at the mid-point. As a result of the 2005 sexennial revaluation, real property values increased an average of 21.5 percent over 2002 figures.

ASSESSED VALUE OF TAXABLE PROPERTY (000's omitted)



Financial Policies The budget must be structurally balanced so that continuing revenues support continuing expenditures. One-time surpluses may not be used to expand continuing expenditures. Rather, they may be used for one-time expenditures, such as capital projects. County agencies are encouraged to maximize the use of state and federal revenues so as to help preserve general revenues for other needs.

Budgetary appropriations may not exceed estimated resources, with a balanced budget maintained in each fund. Agency budget requests are submitted in a program-based format in conjunction with strategic business plans that outline each program's performance goals for the following year. Actual performance data related to the demands, outputs, results, and efficiencies of each program are part of the budget presentation. Special revenue funds are required to reserve the funds necessary to cover operational needs for the first several pay periods of the following year in the event that a revenue stream is delayed. Agencies funded through tax levies are required to show that the expenditures forecast over the life of the levy do not exceed the estimated revenue collections.

The budget is controlled at the major object code level within a fund. The budget may be amended or supplemented at any time during the year upon formal action of the Commissioners. Transfers of cash between funds require the Commissioners' authorization. Appropriations lapse at the end of the year. The Commissioners adopted the County's 2005 operating budget on December 14, 2004. Additional information on the County's budgetary process can be found in note 3 to the basic financial statements.

The General Fund sets aside reserves as allowed by ORC 5705.13. The following reserves are in place:

- General Fund Contingency – three percent of the General Fund budget may be set aside for unanticipated critical needs. In 2005, \$7.6 million was set aside for this purpose, with \$2.2 million used.
- Risk Management – funds may be reserved for self-insurance for liability claims arising from automobile accidents, litigation settlements and judgment awards. These losses are paid from agency budgets or from the amount designated for risk management within the General Fund. During 2005, \$49,000 was expended, leaving a balance of \$8.4 million in the General Fund's risk management reserve.
- Economic Stabilization – five percent of the preceding year's General Fund revenue may be reserved to stabilize the budget against cyclical changes in revenue and expenditures. During 2005, the balance of \$15.7 million for this reserve was reduced to \$11.25 million to comply with the statutory cap. The Economic Stabilization reserve is a designation within the General Fund.
- 27th Pay Period – established in 1995, this reserve gradually collects the funds necessary to meet the payroll requirements of a 27th pay period for General Fund employees in 2009. The balance at December 31, 2005 was \$5.05 million, and is shown as a special revenue fund in the financial statements.

The Treasurer is responsible for the investment of funds in accordance with the County's investment policy as authorized by the Investment Advisory Committee and in keeping with ORC Section 135.35. Specific requirements and limitations are described in note 4 to the basic financial statements. To maximize the County's return on investment, the Treasurer's Office employs a cash management program that systematically coordinates cash flow forecasting, mobilization of cash flows, bank relations, and the investment of surplus cash. Communication with other County agencies is integral in this process. In 2005, cash receipts related to investments were \$18.4 million, slightly higher than the original estimate of \$16.2 million.

It is the County's policy to issue long-term, fixed-rate debt as a supplement to current tax revenues and fund balances for financing infrastructure and capital projects. Consistent with Ohio law, long-term debt is not issued to support current operations. The County sells bond anticipation notes instead of bonds only when market conditions dictate, or as part of a multi-step construction program. The County will consider using either a competitive process or a negotiated process when issuing bonds. Debt capacity is benchmarked against means and medians for other triple-A rated counties of similar size and complexity as published by Moody's and Standard and Poor's. The County's capital plan, debt obligations and debt capacity are evaluated together in an integrated manner, on an annual basis.

Long-term Financial Planning The capital budgeting process utilizes a detailed five-year capital plan based on these major criteria: 1) consideration of the capital project's impact on future operating and maintenance expenses; 2) assessment of the asset's condition and life cycle, and estimates for replacement or refurbishment; 3) review of additional information such as future needs and costs analysis; 4) prioritization and tracking of progress of capital projects; and 5) the requesting department's strategic business plan. The County's Computer Aided Facilities Management software provides accurate data to plan programs for construction, replacement and maintenance. A multi-year linkage between operating and capital budgets aids in determining the impact on future spending. Particular attention is focused on extending an asset's life. A thorough preventive maintenance program is required on each project, helping to avert major or emergency repairs.

The County normally relies on the strength of its triple-A ratings, conservative fiscal practices, substantial revenue capacity, reasonable debt ratios and centralized location within a larger regional economy to access capital markets for financing projects. When beneficial in view of interest rates and the general economic picture, the County pays for capital improvements from current tax revenues and available cash balances. At December 31, 2005, the County had \$62.3 million cash and investments (budget basis) in its General Fund including \$11.25 million for economic stabilization and \$8.4 million for risk management. Franklin County's triple-A credit rating was reaffirmed by both Moody's Investors Service and Standard and Poor's Corporation during 2005.

Major Initiatives The Auditor's Office continued to incorporate technology in providing services to local residents. The Auditor was the first in Ohio to offer an online version of a Personal Property Tax education program geared toward tax practitioners, legal professionals and others who handle business tax filings. Those completing the online courses were eligible to receive Continuing Professional Education (CPE) or Continuing Legal Education (CLE) credit. The Auditor also launched a "Dog E-Bulletin Board" for the posting of lost and found dogs to aid in reuniting pets and their owners.

The County has made alternative, cleaner-burning fuel a priority in the procurement of vehicles. Four new vans that operate on compressed natural gas were purchased for the Department of Animal Care and Control. The Engineer began to retrofit cars and trucks to run on compressed natural gas or biodiesel fuel. In addition, the Board of Mental Retardation and Developmental Disabilities received funding to install particulate filters on 80 buses and to assist in purchasing cleaner-burning fuel.

The Juvenile Court implemented a new drug court to provide treatment and support to juveniles who have previously failed to complete drug treatment programs. A referral from a judge or magistrate is needed before a juvenile offender is admitted to the program. Teens new to the program attend drug court every week where they report on their behavior to the drug court magistrate, the prosecuting and defense attorneys, caseworkers and probation officers. Through the regular court appearances, the youths are forced to be accountable for their actions. They also attend counseling sessions at a drug and alcohol rehabilitation center at least twice a week.

The Common Pleas Court ended the work-release program on October 31, 2005. Under the work-release program, inmates were allowed to leave the minimum security facility and report to their jobs, checking back into the facility at the end of their shifts. The facility was too far from bus routes to make work-release a viable option for those without cars. In addition, a 2003 Ohio Supreme Court decision said judges should not be in charge of work-release facilities because their impartiality in sentencing could be questioned when they sentence people to programs they run. The inmates have been redirected with some placed on home detention, some on probation and some sent to jail.

Citing a 35 percent increase in requests for aid, the Veterans Service Commission received \$700,000 in supplemental appropriations to its \$1.3 million budget for grants. This money was used to provide emergency assistance to older veterans, those just returning from duty and the families of those who are currently deployed.

In an effort to protect drinking water and to provide reliable sanitation services, the County's Water Quality Partnership program is replacing aging septic and aeration systems in various unincorporated parts of the County. Shallow wells run the risk of contamination if the old systems fail, also posing an environmental and health hazard. Since its inception in January 2004, almost 600 homes and businesses have benefited from the program. More than \$1.0 million was spent on this project in 2005.

In October 2005, the County issued \$40,980,000 of various purpose general obligation bonds to advance refund certain outstanding obligations of the County, to pay costs of improving certain streets and roads and to pay the cost of acquiring the Children Services' office building from its lessor. Children Services' headquarters had moved to the new building in 2004. Prior to the move, the agency had been headquartered at Gantz Road. In 2006, the buildings on that property will be demolished, the debris removed and the site prepared for sale.

The Hall of Justice, built in 1973, requires major renovation to address electrical, plumbing, and HVAC system needs, the lack of fire sprinklers, and removal of asbestos. The building also lacks adequate space for future growth of the courts. The decision has been made to build a new courthouse. In 2005, the Commissioners paid \$10.9 million for land on Mound Street between High and Front Streets to be used for this project. The design and construction phase is expected to begin in 2006. Once vacated, the Hall of Justice will be rehabilitated and remodeled. The County plans to issue debt in 2006 to finance this project.

The Commissioners have announced their intention to construct a new baseball stadium to replace Cooper Stadium. In 2006, the Commissioners purchased several parcels of land in the Arena District to serve as the site for the new stadium.

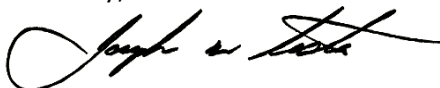
Awards and Acknowledgements

Awards The GFOA has awarded us the Certificate of Achievement for Excellence in Financial Reporting for the year ended December 31, 2004. The County has received this prestigious award for 22 consecutive years. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. To earn the Certificate of Achievement, the County published a readable and well-organized CAFR whose contents conformed to program standards and satisfied GAAP and applicable legal requirements. The Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA.

The GFOA has also presented us an Award for Outstanding Achievement in Popular Annual Financial Reporting for the year ended December 31, 2004. This is our tenth consecutive Award. To earn the Award, the Auditor's Office published the Franklin County Annual Report to provide taxpayers and other interested parties with an overview of the County's financial condition and results of its operations. The 2005 Annual Report will be submitted to the GFOA for award consideration.

Acknowledgements The preparation of this report could not have been accomplished without the dedicated effort of the entire Fiscal Services Division. I especially want to thank the Financial Reporting Department who worked diligently to continue to comply with the precise guidelines established by the GFOA's award programs. Their commitment to excellence in financial reporting added to the quality of this CAFR. I would also like to express my appreciation to each of the County's elected officials and the various County agencies for their cooperation in the preparation of this report.

Sincerely,



Joseph W. Testa
Franklin County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Franklin County,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



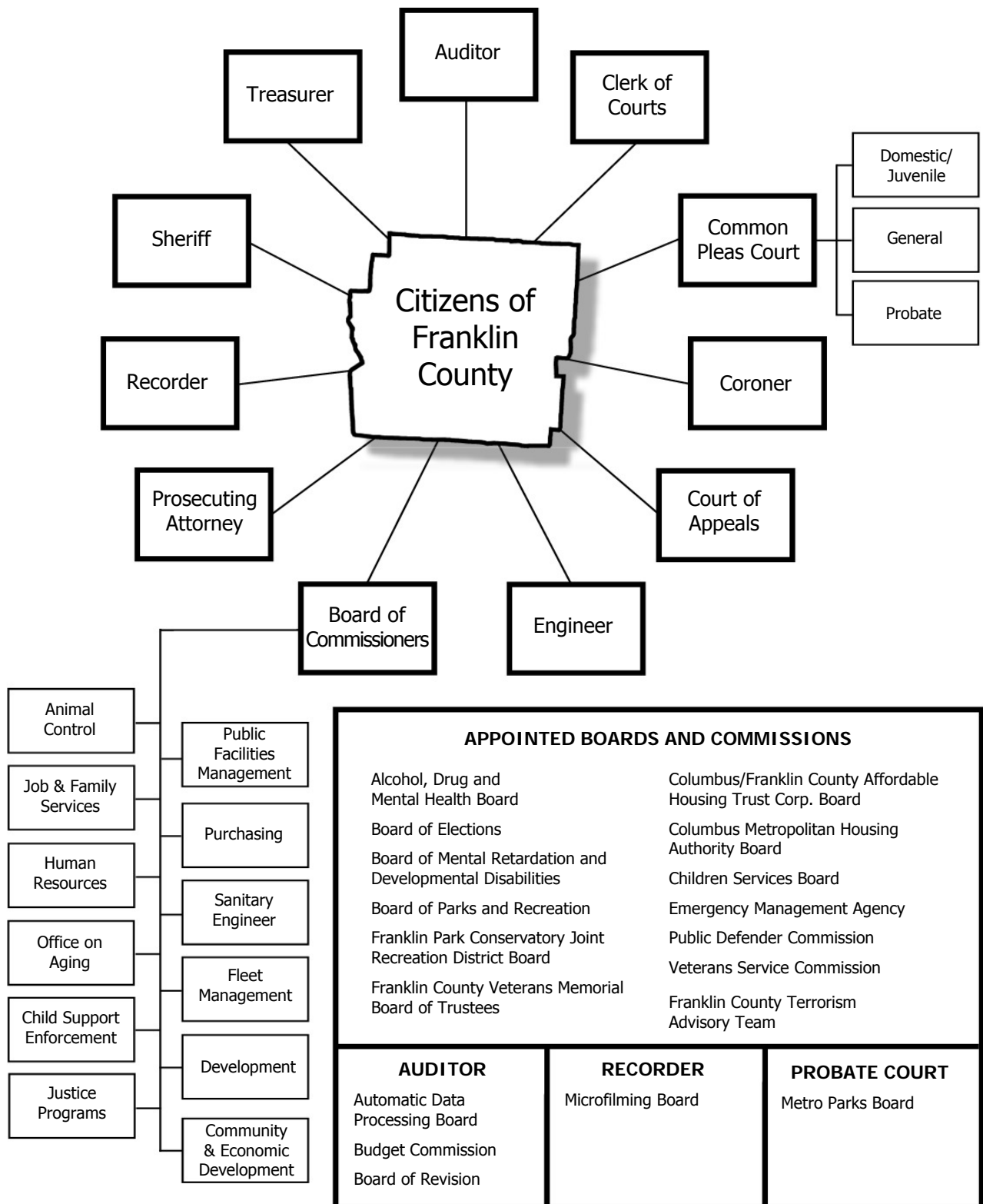
Carla E. Perry

President

Jeffrey R. Enen

Executive Director

FRANKLIN COUNTY GOVERNMENT ORGANIZATIONAL CHART



ELECTED OFFICIALS AS OF DECEMBER 31, 2005

AUDITOR

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614.462.7399*

Joseph W. Testa

**BOARD OF
COMMISSIONERS**

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Mary Jo Kilroy
Dewey R. Stokes

CLERK OF COURTS

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John O'Grady

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Kay Lias
Jim Mason
Dana S. Preisse
Carole Squire

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John P. Bessey
Eric S. Brown
David E. Cain
John A. Connor
Dale A. Crawford
David W. Fais
Richard A. Frye
Daniel T. Hogan
Michael J. Holbrook
Julie M. Lynch
Gregory S. Peterson
Beverly Y. Pfeiffer
Guy L. Reece II
Charles A. Schneider
Patrick E. Sheeran
Richard S. Sheward

**COMMON PLEAS COURT
PROBATE**

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Bradley J. Lewis, M.D.

**COURT OF APPEALS
TENTH DISTRICT**

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Peggy Bryant
Judith L. French
William A. Klatt
Patrick M. McGrath
Charles A. Petree
Lisa L. Sadler
Alan C. Travis

ENGINEER

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Dean C. Ringle, P.E., P.S.

PROSECUTING ATTORNEY

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Ron O'Brien

RECORDER

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Robert G. Montgomery

SHERIFF

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Columbus, Ohio 43215
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Jim Karnes

TREASURER

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614.462.3438*

Richard Cordray



Financial Section



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Franklin County
373 South High Street, 26th Floor
Columbus, Ohio 43215-6310

To the Board of Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Franklin County, Ohio (the County), as of and for the year ended December 31, 2005, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Alcohol, Drug and Mental Health Board, which is both a major fund and 6.04%, 3.33% and 12.35%, respectively, of the assets, net assets, and revenues for the governmental activities. We also did not audit the financial statements of Franklin County Stadium, Inc. and Columbus Baseball Team, Inc., and ARC Industries, Inc., which are discretely presented component units and represent .51% and .40% of the assets, .86% and .65% of the net assets and fund balances, and .94% and .44% of the revenues, respectively, of the aggregate discretely presented component units and remaining fund information. Other auditors audited those financial statements. They have furnished their report thereon to us and we base our opinion, insofar as it relates to the amounts included for the Alcohol, Drug and Mental Health Board, Franklin County Stadium, Inc. and Columbus Baseball Team, Inc., and ARC Industries, Inc. on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Franklin County, Ohio, as of December 31, 2005, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Board of Mental Retardation and Development Disabilities, Children Services Board, Public Assistance, and Alcohol, Drug and Mental Health Board funds, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2006, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We and the other auditors subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, based on our audit and the report of the other auditors, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We and the other auditors did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.



Betty Montgomery
Auditor of State

June 29, 2006

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

As management of Franklin County (the County), we offer readers this narrative overview and analysis of the financial activities of the County as a whole for the fiscal year ended December 31, 2005. We encourage readers to consider the information presented here in conjunction with our letter of transmittal, which can be found at the front of this report, and the financial statements, which follow this section and provide more specific detail. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The County's assets exceeded its liabilities at the close of 2005 by \$805.1 million. Of this amount, \$132.2 million is considered unrestricted. Unrestricted net assets may be used to meet ongoing obligations. The unrestricted net assets of the County's governmental activities and business-type activities are \$126.6 million and \$5.6 million, respectively.
- The County's total net assets increased by \$60.0 million in 2005, an increase of 8.1 percent. Net assets of the governmental activities increased \$58.6 million, or 8.1 percent, from 2004. Net assets of the business-type activities increased \$1.4 million or 6.5 percent from 2004.
- Total revenues for 2005 were \$1.028 billion. General revenues (taxes, investment earnings, unrestricted grants) accounted for \$525.4 million, or 51.1 percent of all revenues. Program revenues (charges for services, program-specific grants and contributions) were \$503.0 million, or 48.9 percent.
- The County's expenses related to governmental activities were \$962.0 million. Of this amount, \$495.2 million (51.5 percent) was offset by program revenues. General revenues, primarily taxes, provided \$466.8 million (48.5 percent) for the remaining program expenses.
- At the close of 2005, the County's governmental funds reported a combined ending fund balance of \$372.8 million, an increase of \$36.3 million in comparison with the prior year. Of the amount reported as combined fund balance at year-end, \$353.2 million is considered unreserved and available for spending at the County's discretion.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$86.2 million, or 32.8 percent of total General Fund expenditures (including transfers out). Unreserved fund balance for the General Fund decreased by \$9.8 million, or 10.2 percent, when compared to 2004.
- The County's investment in capital assets (net of related debt) increased by \$5.6 million, representing a 1.3 percent increase related to governmental activities and a 12.3 percent increase related to business-type activities.
- The County's total debt (bonds, notes and capital leases) increased by \$8.9 million, representing a 5.2 percent increase in debt related to governmental activities and a 22.9 percent increase in debt related to business-type activities.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

Overview of the Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the County's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains supplementary information.

Government-wide Financial Statements The government-wide financial statements provide a broad overview of the County's finances in a manner similar to a private-sector business, and can be found on pages 28 and 29 of this report.

The *statement of net assets* presents information on all the County's assets and liabilities, with the difference between the two reported as net assets. Over time, the change in net assets may serve as a useful indicator of whether the County's financial position is improving or declining.

The *statement of activities* shows how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover their costs through user fees and charges (*business-type activities*). The County's governmental activities include general government, judicial, public safety, human services, health, public works, conservation and recreation, and community development functions. The County's business-type activities include water and sewer, and parking facilities operations.

The government-wide financial statements include not only Franklin County itself (known as the *primary government*), but also certain organizations for which the County is financially accountable. Financial information for these *component units* is reported separately. The County's component units include ARC Industries, Incorporated, of Franklin County, Ohio (ARC Industries); Veterans Memorial Hall; and Franklin County Stadium, Inc. and Columbus Baseball Team, Inc. (Stadium and Team). Notes 1 and 18 to the basic financial statements contain more information about the component units.

Fund Financial Statements A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The County's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements so as to understand the long-term impact of the County's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide reconciliations to facilitate this comparison between governmental funds and governmental activities. See pages 30 - 35 of this report.

The County maintains many individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for those funds considered to be *major funds*. For Franklin County, these are the General Fund, Board of Mental Retardation & Developmental Disabilities (MR&DD) fund, Children Services Board fund, Public Assistance fund and Alcohol, Drug and Mental Health (ADAMH) Board fund. Data from the other governmental funds is aggregated for presentation as a single column. Individual fund data for each of the nonmajor governmental funds is provided in the *combining statements*.

The County adopts a budget resolution annually. Financial statements prepared on a budgetary basis that does not conform with generally accepted accounting principles (GAAP) have been provided on pages 36 – 40 for the major funds to demonstrate budgetary compliance.

Proprietary Funds: The County maintains two types of proprietary funds. *Enterprise funds* report the same functions presented as business-type activities in the government-wide financial statements. Enterprise funds are used to account for water and sewer, and parking facilities operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally across the County's various functions. Internal service funds are used to account for telecommunications and employee benefits. Because the services accounted for in the internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements show the Water and Sewer fund and the Parking Facilities fund separately; the internal service funds are aggregated. The basic proprietary fund financial statements are on pages 41 – 44.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because those resources are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statement can be found on page 45.

Notes to the Basic Financial Statements: The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 46 – 84.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

Other Information: The combining statements referred to earlier in connection with nonmajor governmental funds, proprietary funds, fiduciary funds and component units are presented immediately following the notes. Individual fund schedules prepared on a non-GAAP, budgetary basis are also presented. Combining nonmajor fund statements and individual fund schedules can be found on pages 87 – 142 of this report.

Government-wide Financial Analysis

The following table provides a summary of the County's 2005 net assets compared to 2004:

Net Assets (Amounts in 000's)						
	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
Assets:						
Current and other assets	\$ 996,937	\$ 929,950	\$ 6,734	\$ 8,241	\$ 1,003,671	\$ 938,191
Capital assets	430,882	418,223	27,863	23,943	458,745	442,166
Total assets	<u>1,427,819</u>	<u>1,348,173</u>	<u>34,597</u>	<u>32,184</u>	<u>1,462,416</u>	<u>1,380,357</u>
Liabilities:						
Long-term debt	137,640	130,830	11,343	9,231	148,983	140,061
Other long-term liabilities	40,254	41,586	130	121	40,384	41,707
Other liabilities	466,889	451,354	1,026	2,087	467,915	453,441
Total liabilities	<u>644,783</u>	<u>623,770</u>	<u>12,499</u>	<u>11,439</u>	<u>657,282</u>	<u>635,209</u>
Net assets:						
Invested in capital assets						
net of related debt	308,863	305,033	16,520	14,712	325,383	319,745
Restricted	347,546	315,368	-	-	347,546	315,368
Unrestricted	126,627	104,002	5,578	6,033	132,205	110,035
Total net assets	<u>\$ 783,036</u>	<u>\$ 724,403</u>	<u>\$ 22,098</u>	<u>\$ 20,745</u>	<u>\$ 805,134</u>	<u>\$ 745,148</u>

As noted earlier, net assets may serve as a useful indicator of the County's financial position. The County's assets exceeded liabilities by \$805.1 million (\$783.0 in governmental activities and \$22.1 in business-type activities) at the close of 2005. All three categories of net assets, the County as a whole and its separate governmental and business-type activities, had positive balances in the prior fiscal year, as well.

A large portion of the County's net assets (40.4 percent) reflects its investment in capital assets (e.g., land, buildings and improvements, infrastructure, machinery and equipment and construction in progress) less accumulated depreciation and any related outstanding debt that had been used to acquire those assets. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets (43.2 percent) represents resources that are subject to external or legal restrictions on how they may be used. The remaining balance of net assets (\$132.2 million) is unrestricted and may be used to meet the County's ongoing obligations to citizens, employees and creditors. It is important to note, however, that the unrestricted net assets of the County's business-type activities (\$5.6 million) may not be used to fund governmental activities.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

The County's total net assets increased by \$60.0 million during 2005: \$58.6 million increase for governmental activities and \$1.4 million increase for business-type activities. The following table shows the changes in net assets for 2005 compared with 2004:

Changes in Net Assets (Amounts in 000's)						
	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
Program revenues:						
Charges for services	\$ 111,617	\$ 101,844	\$ 7,771	\$ 7,213	\$ 119,388	\$ 109,057
Operating grants	357,331	332,904	-	-	357,331	332,904
Capital grants	26,232	8,944	45	3,568	26,277	12,512
General revenues:						
Property taxes	337,991	313,562	-	-	337,991	313,562
Sales taxes	105,886	85,718	-	-	105,886	85,718
Grants not restricted to specific programs	63,506	66,358	-	-	63,506	66,358
Unrestricted investment earnings	18,025	11,506	-	-	18,025	11,506
Total revenues	1,020,588	920,836	7,816	10,781	1,028,404	931,617
Expenses:						
General government	89,376	92,236	-	-	89,376	87,621
Judicial	64,428	63,848	-	-	64,428	63,848
Public safety	130,197	127,457	-	-	130,197	119,704
Human services	317,211	311,947	-	-	317,211	311,947
Health	291,569	308,096	-	-	291,569	308,096
Public works	41,313	41,027	-	-	41,313	41,027
Conservation and recreation	14,505	14,445	-	-	14,505	14,445
Community development	7,834	6,528	-	-	7,834	6,528
Interest and fiscal charges	5,553	6,383	-	-	5,553	6,383
Water and sewer	-	-	4,541	4,434	4,541	4,434
Parking facilities	-	-	1,891	1,670	1,891	1,670
Total expenses	961,986	971,967	6,432	6,104	968,418	978,071
Change in net assets before transfers	58,602	(51,131)	1,384	4,677	59,986	(46,454)
Transfers	31	(1,375)	(31)	1,375	-	-
Change in net assets	58,633	(52,506)	1,353	6,052	59,986	(46,454)
Net assets – beginning	724,403	776,909	20,745	14,693	745,148	791,602
Net assets – ending	\$ 783,036	\$ 724,403	\$ 22,098	\$ 20,745	\$ 805,134	\$ 745,148

The amount invested in capital assets, net of related debt, increased by \$5.6 million (1.8 percent). These were the major 2005 capital additions: \$10.9 million for land for site of new courthouse building; \$11.1 million for the purchase of Children Services' building and grounds; \$8.1 million for Darbydale water and sewer project; \$4.8 million for buildings and salt barn at new Engineer complex on the west side of the County (\$1.6 million of this had been recorded as construction in progress in the prior year); and \$5.4 million in bridge and road construction including \$1.8 million – Parsons Avenue; \$1.1 million – bridge deck on Innis Road over Alum Creek; and \$1.1 million – Waggoner Road. The debt related to capital assets was reduced by \$9.3 million through 2005 payments.

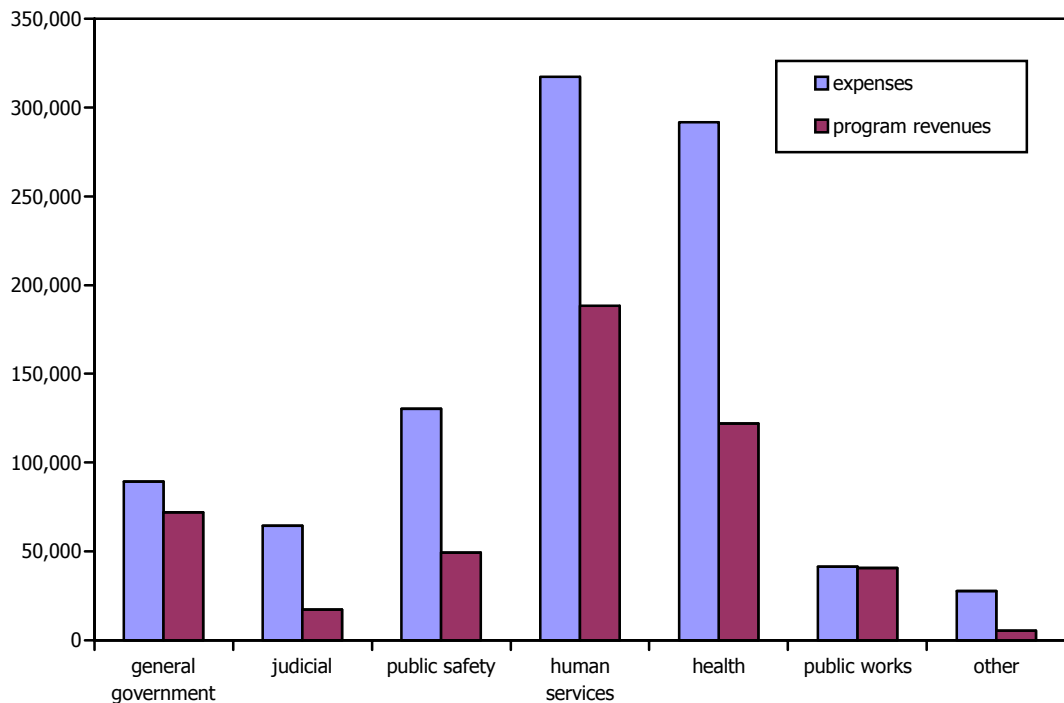
There was an increase of \$32.2 million in restricted net assets reported in connection with the County's governmental activities, primarily due to increased intergovernmental revenues and reduced expenses in the health function and increased property taxes for first year collection of the new Children Services tax levy. The County's business-type activities have no restricted net assets in 2004 or 2005.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

Governmental Activities Governmental activities added to the County's net assets by \$58.6 million. Key elements of this change are as follows:

- A half cent increase in the sales tax rate became effective October 1, 2005, contributing to an increase of \$20.2 million when compared to 2004.
- 2005 was the first year of collection of the 1.90 mill Children Services levy approved by voters in 2004, leading to an increase of \$24.0 million in property taxes.
- Operating grants for governmental activities increased by \$24.4 million, mostly as a result of increased funding from the state and federal governments for health programs administered by ADAMH Board and MR&DD.
- The general government function received capital grants totaling \$12.3 million for the purchase of new electronic voting machines.
- Health expenses decreased by \$16.5 million related to lower matching requirements for Medicaid. All other expenses by function remained fairly level.

Expenses and Program Revenues – Governmental Activities
(Amounts in 000's)

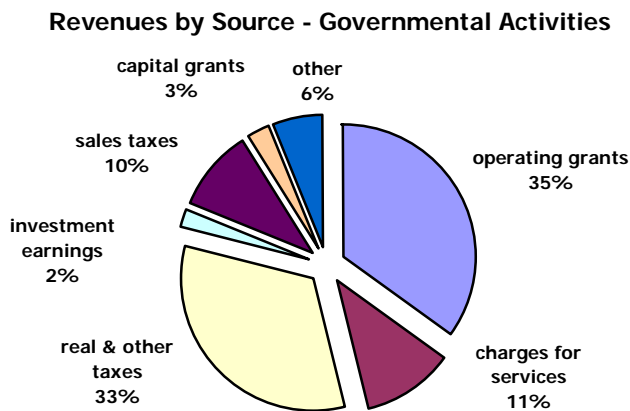


FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

The general government function represents activities related to the governing body as well as activities that directly support other County programs that serve the County's residents. In 2005, this represented 9.3 percent of the County's total governmental expenses. This was a decrease of \$2.9 million (3.1 percent) from 2004. 2004 expenses were unusually high because of the sexennial county-wide reappraisal of real property (\$2.0 million) and the presidential election in November 2004 (\$1.5 million).

The human services program accounted for \$317.2 million or 33.0 percent of total governmental expenses. The next largest program was health, accounting for \$291.6 million or 30.3 percent of the total expenses for governmental activities.

Revenues exceeded expenses, resulting in a \$58.6 million increase in net assets during 2005.



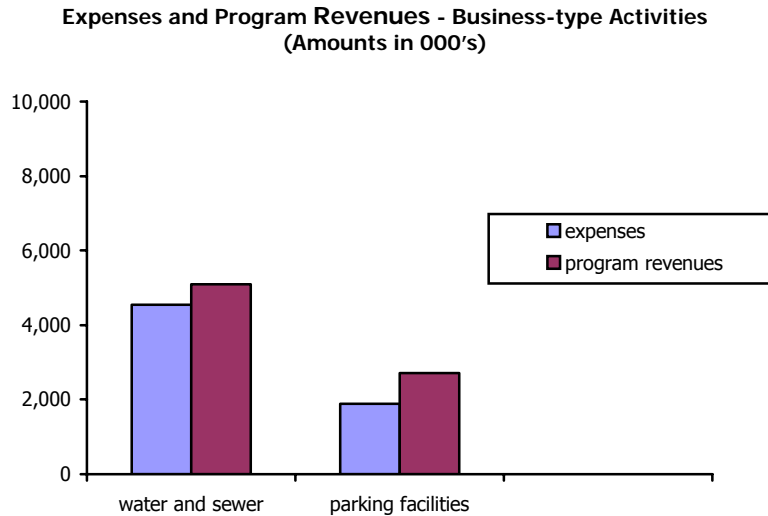
Real property and other taxes account for \$338.0 million or 33.1 percent of total revenues for governmental activities. The major recipients of property tax revenues are Board of MR&DD (\$131.8 million), Children Services Board (\$100.6 million), ADAMH Board (\$38.0 million) and the General Fund (\$33.1 million). Another major component of general revenues is sales tax, which totaled \$105.9 million. Sales tax is the largest revenue source for the General Fund.

Operating grants were the largest type of program revenue, accounting for \$357.3 million or 35.0 percent of total governmental revenues. The major recipients of intergovernmental program revenues were Public Assistance (\$114.9 million), ADAMH Board (\$72.4 million), Children Services Board (\$57.0 million) and Board of MR&DD (\$43.2 million).

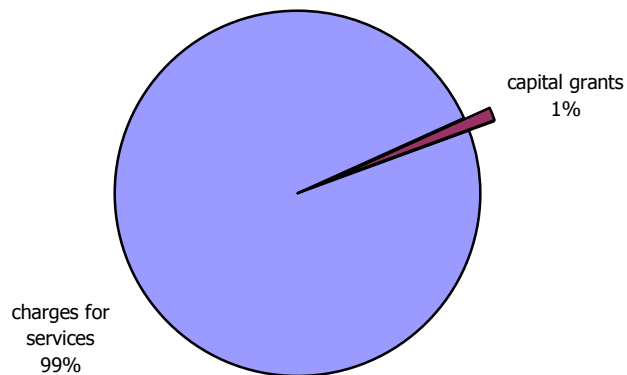
Direct charges to users of governmental services, another type of program revenue, made up \$111.6 million of total governmental revenues. These charges include fees for real estate transfers, fees associated with the collection of property taxes, fines and forfeitures related to judicial activity, and licenses and permits.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

Business-type Activities The County's net assets for business-type activities increased by \$1.4 million.



Revenues by Source - Business-type Activities



Project-specific capital grants and transfers from the General Fund decreased by \$3.5 million and \$1.4 million, respectively, in 2005 when compared to 2004, primarily due to the completion of certain water and sewer projects.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. This information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a measure of the County's net resources available for spending at the end of the year.

At December 31, 2005, the County's governmental funds reported combined ending fund balances of \$372.8 million, an increase of \$36.3 million in comparison with the prior year balances. Approximately \$353.2 million of this amount constitutes unreserved fund balance, which is available for spending at the County's discretion. The remainder is reserved to indicate that it is not available for new spending because it is related to notes receivable (\$15.6 million), advances to other funds (\$291,000) or inventories of consumable supplies (\$3.7 million), none of which can easily be converted into cash. While most of the governmental fund balances are not reserved in the governmental fund statements, they become classified as restricted net assets on the government-wide statement of net assets due to restrictions for use for a particular purpose mandated by the source of the funding, such as the tax levy language or the underlying grant.

General Fund The General Fund is the chief operating fund of the County. At December 31, 2005, unreserved fund balance of the General Fund was \$86.2 million, while total fund balance was \$88.6 million. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 32.8 percent of total General Fund expenditures (including transfers out), while total fund balance represents 33.7 percent of that same amount.

The fund balance of the General Fund decreased by \$10.6 million during 2005. \$10.9 million was transferred to the capital project fund to purchase land for the new court building. Other factors are:

- Sales tax revenue increased by \$12.0 million or 14.1 percent primarily due to a half percent increase in the tax rate effective October 1, 2005.
- Investment income increased by \$5.9 million because of higher interest rates related to federal securities and other investment vehicles.
- Expenditures remained relatively level as the County made a significant effort to curb spending. Agencies' funding requests had been reduced by 3 percent in the adoption of the original budget.

Major Special Revenue Funds The Board of MR&DD fund, Children Services Board fund, Public Assistance fund and ADAMH Board fund are major special revenue funds used to account for specific governmental revenues and the associated expenditures are restricted to specified purposes because of legal or regulatory provisions or administrative action. The Board of Commissioners must approve tax levy requests before they are placed on the ballot.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

The Board of MR&DD fund accounts for property taxes and federal and state grants restricted to expenditures for those services that benefit the mentally retarded and developmentally disabled. Intergovernmental revenue increased by \$14.1 million or 30.2 percent. Expenditures made for social service contracts, medical providers, and the maintenance and operation of buildings and buses decreased by \$7.3 million or 4.0 percent when compared with the prior year. Approximately \$29.0 million in federal matching requirements was deducted by the state from current funding and paid on behalf of the Board of MR&DD, so it has been recorded by the County as both revenue and expenditure. The net change in fund balance for 2005 was an increase of \$18.7 million or 13.9 percent.

The Children Services Board fund accounts for property taxes and federal funds restricted for expenditure programs designed to help abused, neglected, dependent, and troubled children and their families. The net change in fund balance for 2005 was an increase of \$16.5 million or 148.6 percent. The largest contributing factor was a 1.90 mill ten-year property tax levy that had been approved by voters in 2004, with the first year of collection in 2005. This led to an increase in property taxes of \$24.0 million or 31.2 percent.

The Public Assistance fund accounts for funding from the State of Ohio for job training and various other types of assistance and services for qualified clients. The fund deficit decreased by \$2.0 million in 2005. Intergovernmental revenue increased by \$14.9 million in 2005, and program spending increased by \$7.0 million. In 2004, grant monies due from the state had not been collected within the available period, resulting in deferred revenue of \$12.0 million. In 2005, deferred revenue at year-end was \$7.7 million.

The ADAMH Board fund accounts for providing alcohol and drug addiction treatment programs and mental health services to the public, generally through contracts with local health care providers. The largest revenue sources are property taxes and state funding. The net change in fund balance for 2005 was an increase of \$0.9 million or 9.6 percent. Intergovernmental revenue increased by \$8.3 million or 12.2 percent when compared with 2004. Expenditures decreased by \$6.9 million or 5.6 percent.

Other Governmental Funds Other Governmental Funds represents all nonmajor special revenue funds, nonmajor capital projects funds and the Debt Service fund. The largest revenue sources are intergovernmental revenues from the state (primarily related to road and bridge construction and collection of court-ordered child support) and property taxes for the zoo and for senior services. The net change in fund balance for 2005 was an increase of \$8.8 million or 10.2 percent. In 2004, the Auditor declared a surplus in the Real Estate Assessment fund. Rather than collecting \$8.8 million in fees, the money was refunded as unplanned tax revenue to local government agencies and schools, proportionate to their tax collection. No similar event occurred in 2005, so fees and charges for services increased by \$9.8 million or 49.8 percent.

In October, 2005, bonds were issued, providing \$5.0 million for road improvements and \$10.9 million for the purchase of a building. In addition, \$25.1 million of the issued bonds was put into an escrow trust for use in advance refunding a portion of the County's general obligation bonds. This activity was recorded in the Debt Service fund. See note 10 for further information.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

Proprietary Funds The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net assets of Water and Sewer at the end of the year amounted to \$3.4 million, and those for Parking Facilities amounted to \$2.2 million. The total change in net assets for the funds was an increase of \$526,000 and an increase of \$827,000, respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of the County's business-type activities.

Budgetary Highlights

The County's budget is prepared according to Ohio law. The most significant budgeted fund is the General Fund. The total original appropriations for the General Fund, including those for transfers out, were \$310.4 million, while the final appropriations were \$324.4 million, resulting in a net increase of \$14.0 million or 4.5 percent. The General Fund budget was amended numerous times during 2005. Significant changes to the original budget are briefly summarized as follows:

- \$10.2 million increase in operating transfers out related to scheduled debt service payments that are transferred to the Debt Service fund.
- \$10.0 million increase in operating transfers out to a capital projects fund for the purchase of land for the new court building.
- \$2.5 million increase in operating transfers out to a capital projects fund for the new court building.
- \$1.8 million increase for the justice system migration project.
- \$1.0 million increase in operating transfers out for the 27th pay reserve.

Final General Fund appropriations for 2005 were higher than the final 2004 appropriations by \$22.7 million, or 7.5 percent, and 22 percent higher than actual 2005 budgetary basis expenditures. The County used \$23.6 million of its fund balance to pay for 2005 operations and to provide funding towards the new court building capital project, including purchase of the land for the building site. Significant variances between the final budget and actual results for the major funds are described as follows:

- Actual fees and charges for services in the General Fund were \$4.3 million higher than estimated. Many agencies paid cost allocation charges for both 2004 and 2005 (\$3.3 million). Conveyance fees were higher (\$800,000) because of the volume of real property transfers.
- Actual investment income in the General Fund was \$2.2 million higher than estimated due to the increase in interest rates on federal securities and other financial investments.
- Actual general government expenditures in the General Fund were \$10.5 million lower than budgeted. Wellness incentive payments and accrued leave pay-outs upon termination of employment were \$3.5 million lower than expected. \$2.0 million set aside for self-insurance and miscellaneous consultant fees was not used. In addition,

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

\$1.2 million budgeted for various building maintenance and construction projects lapsed without being spent because of timing of invoices.

- Actual other expenditures in the General Fund were \$7.3 million lower than expected. \$5.4 million that had been held in contingency was not needed. Grants to non-profits were reduced by \$1.9 million.
- Actual capital outlays and transfers into the General Fund were \$27.4 million and \$31.3 million lower than budgeted, respectively, because two major construction projects (the new court building and the dog shelter) were postponed.
- Estimated intergovernmental revenue for Board of MR&DD did not include \$29.0 million of funding match through the State of Ohio.
- \$102.9 million budgeted by MR&DD for contingencies was not used.
- Children Services fund's actual expenditures were \$18.6 million lower than budgeted. Expenditures for out-of-home substitute care were \$10.7 million under budget due to 89,000 fewer days of care than anticipated and lower per diem rates. Expenditures for protection services (medical, respite care, psychiatric treatment, counseling and various other services) were \$2.0 million under budget primarily because more was covered through Medicaid and not billed to Children Services. Staff vacancies led to \$1.0 million less paid for salaries and benefits than had been budgeted.

Capital Asset and Debt Administration

Capital Assets The County's investment in capital assets for its governmental and business type activities at December 31, 2005, amounts to \$325.4 million (net of related debt). This investment in capital assets includes land, buildings and improvements, infrastructure, machinery and equipment, and construction in progress. The total increase in the County's investment in capital assets (net of related debt) for 2005 was 1.8 percent when compared to 2004 activity.

Capital Assets, Net of Depreciation						
(Amounts in 000's)						
	Governmental		Business-type		Total	
	Activities		Activities			
	2005	2004	2005	2004	2005	2004
Land	\$ 38,664	\$ 26,258	\$ 259	\$ 259	\$ 38,923	\$ 26,517
Buildings and improvements	216,856	211,418	9,620	9,920	226,476	221,338
Infrastructure	139,537	137,781	16,238	8,319	155,775	146,100
Machinery and equipment	21,782	22,490	283	259	22,065	22,749
Construction in progress	14,043	20,276	1,463	5,186	15,506	25,462
	<u>\$ 430,882</u>	<u>\$ 418,223</u>	<u>\$ 27,863</u>	<u>\$ 23,943</u>	<u>\$ 458,745</u>	<u>\$ 442,166</u>

The major capital asset events during the 2005 involved land and building purchases, and bridge and road construction. Specific projects and dollar amounts are listed in the government-wide financial analysis section. Additional information on the County's capital assets can be found in note 9 on pages 65 – 67 of this report.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

Long-term Debt At December 31, 2005, the County had total bonded debt outstanding of \$140.8 million. Of this amount, \$5.9 million will be repaid from business-type activities. \$128.3 million comprises bonded debt backed by the full faith and credit of the government. \$3.2 million represents bonds supported by lease revenues. \$3.4 million represents unamortized bond premiums and deferred charges associated with the refunding of bonds.

In October 2005, the County issued \$40,980,000 of various purpose general obligation bonds, Series 2005. The bonds were used to advance refund certain outstanding obligations of the County, to pay costs of improving certain streets and roads within the County, to pay the costs of acquiring a building for use by Children Services and to pay the costs associated with the issuance of the bonds. The building purchase will save Children Services approximately \$453,000 in operating expenses each year.

During 2005, the business-type activities incurred \$3.1 million new debt related to the Darbydale wastewater and sewer project.

The County's total long-term debt increased by \$8.9 million (6.4 percent) during the current fiscal year. All the County's debt is unvoted. General obligation debt as shown in the table below includes bonds, notes and capital leases.

	Outstanding Debt (Amounts in 000's)					
	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
General obligation debt	\$ 131,065	\$ 124,216	\$ 11,140	\$ 8,993	\$ 142,205	\$ 133,209
General obligation debt supported by lease revenues	3,175	4,300	-	-	3,175	4,300
Unamortized bond premiums	5,445	3,261	291	341	5,736	3,602
Unamortized deferred charges	(2,045)	(947)	(88)	(103)	(2,133)	(1,050)
	<u>\$ 137,640</u>	<u>\$ 130,830</u>	<u>\$ 11,343</u>	<u>\$ 9,231</u>	<u>\$ 148,983</u>	<u>\$ 140,061</u>

Both Standard & Poor's Corporation and Moody's Investor Services, Inc. have given Franklin County a "triple-A" credit rating, the highest rating possible. The County's rating is based on the County's financial management and debt burden, and the strength of the local economy. The County is within all its legal debt limitations. As of December 31, 2005, the County's non-exempt debt was \$90.2 million. The County's limit for total voted and unvoted non-exempt debt was \$702.7 million, leaving a borrowing capacity of \$612.5 million. Unvoted, non-exempt debt is limited to one percent of total assessed property value. For 2005, that limit was \$281.7 million, leaving a borrowing capacity of \$191.5 million. The aggregate amount of the County's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. At year-end, the County's total net bonded debt amounted to 0.5 percent of the total assessed value of all property within the County.

In addition to the bonded debt, notes and capital leases, the County's long-term obligations include compensated absences and workers' compensation. More information regarding the County's long-term obligations can be found in note 10 on pages 67 – 72 of this report.

FRANKLIN COUNTY, OHIO
Management's Discussion and Analysis
For the Year Ended December 31, 2005
(Unaudited)

Economic Factors and Next Year's Budgets and Rates

Franklin County has experienced significant growth in the past thirty years, both in population and in tax base. However, recent economic conditions have created a gap between resources and expenditures that has been bridged by tapping into cash reserves. The County's general fund cash balance at December 31, 2005, was \$62.3 million, an amount sufficient to cover about three months of general fund expenditures. To halt the drain of cash, the County's elected and appointed officials have reviewed operations, identifying ways to contain costs. In 2005, the Commissioners adopted two measures to increase revenue. First, the sales tax rate was increased by ½ percent, effective October 1, 2005. Secondly, a majority voted to initiate a tax on conveyance of real property and transfer of manufactured homes effective January, 2006. It is expected that the combination of these actions will enable the County to regain structural balance in the annual budget and replenish cash reserves.

When preparing the budget for the 2006 fiscal year, the following factors were taken into consideration:

- Franklin County's unemployment rate for 2005 was 5.3 percent, a slight decrease from 5.4 percent in 2004. Sales tax revenues are projected to increase 1.0 percent from 2005 actual receipts.
- State funding levels are projected to remain flat.
- The Economic Stabilization reserve and contingency funding remain at the maximum levels permitted under Ohio law. General Fund cash reserves will be increased by \$41.4 million.
- All agencies and elected officials were asked to reduce their budget requests by 8 percent.
- Several Board of Elections initiatives will be funded including the purchase of electronic voting machines to meet the Secretary of State's requirement of one voting machine for every 175 registered voters and the purchase of electronic scanning software and an absentee ballot tracking system.
- Employee contributions towards health insurance coverage commence in April 2006. To further contain health care costs, some changes were made to the plan design.

Requests for Information

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances, and to demonstrate accountability for the money the County receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Franklin County Auditor, Fiscal Services Division, 373 South High Street, 21st Floor, Columbus, Ohio 43215-6310. This report is also available on-line at www.franklincountyauditor.com.

BASIC FINANCIAL STATEMENTS

FRANKLIN COUNTY, OHIO

Statement of Net Assets

December 31, 2005

(Amounts in 000's)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets:				
Equity with County Treasurer (notes 1 & 4)	\$ 386,020	\$ 5,417	\$ 391,437	\$ -
Cash, cash equivalents, and investments in segregated accounts (notes 1 & 4)	1,415	3	1,418	8,932
Accounts receivable	7,602	903	8,505	882
Accrued interest receivable	2,856	-	2,856	-
Sales taxes receivable	43,628	-	43,628	-
Due from other governments	161,363	288	161,651	-
Internal balances (notes 1 & 5)	27	(27)	-	-
Due from primary government (note 5)	-	-	-	432
Property taxes receivable, net (note 6)	365,384	-	365,384	-
Loans receivable, net (note 1)	3,793	-	3,793	-
Notes receivable (note 7)	15,621	-	15,621	-
Leases receivable (note 8)	3,358	-	3,358	-
Inventories (note 1)	3,689	86	3,775	194
Prepaid items (note 1)	265	-	265	435
Deferred charges (note 1)	450	64	514	-
Restricted cash (notes 1 & 4)	1,466	-	1,466	-
Capital assets, net of accumulated depreciation:				
Nondepreciable (notes 1 & 9)	52,707	1,722	54,429	-
Depreciable (notes 1 & 9)	378,175	26,141	404,316	2,607
Total assets	1,427,819	34,597	1,462,416	13,482
Liabilities:				
Accrued wages	17,546	51	17,597	388
Accounts payable and other current liabilities	73,545	951	74,496	588
Accrued interest	531	24	555	-
Matured bonds and interest payable	677	-	677	-
Due to component unit (note 5)	432	-	432	-
Liabilities payable from restricted assets	1,466	-	1,466	-
Unearned revenue (note 1)	372,692	-	372,692	435
Long-term liabilities: (notes 1 & 10)				
Due within one year	14,894	1,099	15,993	-
Due in more than one year	163,000	10,374	173,374	260
Total liabilities	644,783	12,499	657,282	1,671
Net assets:				
Invested in capital assets, net of related debt	308,863	16,520	325,383	2,607
Restricted for:				
Judicial	7,238	-	7,238	-
Public safety	17,557	-	17,557	-
Human services	74,865	-	74,865	-
Health	203,148	-	203,148	-
Public works	17,206	-	17,206	-
Capital projects	6,273	-	6,273	-
Debt service	3,109	-	3,109	-
Real estate assessment	15,108	-	15,108	-
Other purposes	3,042	-	3,042	-
Unrestricted	126,627	5,578	132,205	9,204
Total net assets	\$ 783,036	\$ 22,098	\$ 805,134	\$ 11,811

The notes to the basic financial statements are an integral part of this statement.

FRANKLIN COUNTY, OHIO

Statement of Activities
Year Ended December 31, 2005
(Amounts in 000's)

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 89,376	\$ 58,691	\$ 1,073	\$ 12,305	\$ (17,307)	\$ -	\$ (17,307)	\$ -
Judicial	64,428	10,979	6,298	-	(47,151)	-	(47,151)	-
Public safety	130,197	22,606	26,836	-	(80,755)	-	(80,755)	-
Human services	317,211	8,932	179,518	-	(128,761)	-	(128,761)	-
Health	291,569	6,418	115,592	-	(169,559)	-	(169,559)	-
Public works	41,313	3,084	23,558	13,927	(744)	-	(744)	-
Conservation and recreation	14,505	-	-	-	(14,505)	-	(14,505)	-
Community development	7,834	907	4,456	-	(2,471)	-	(2,471)	-
Interest and fiscal charges	5,553	-	-	-	(5,553)	-	(5,553)	-
Total governmental activities	961,986	111,617	357,331	26,232	(466,806)	-	(466,806)	-
Business-type activities:								
Water and sewer	4,541	5,053	-	45	-	557	557	-
Parking facilities	1,891	2,718	-	-	-	827	827	-
Total business-type activities	6,432	7,771	-	45	-	1,384	1,384	-
Total primary government	\$ 968,418	\$ 119,388	\$ 357,331	\$ 26,277	(466,806)	1,384	(465,422)	-
Component units: (notes 1 & 18)								
ARC Industries	\$ 8,285	\$ 7,148	\$ 1,340	\$ -	-	-	-	203
Veterans Memorial Hall	2,296	2,005	270	-	-	-	-	(21)
Stadium and Team	4,057	3,700	-	-	-	-	-	(357)
Total component units	\$ 14,638	\$ 12,853	\$ 1,610	\$ -	-	-	-	(175)
General revenues:								
Property taxes (note 6)					337,991	-	337,991	-
Sales taxes					105,886	-	105,886	-
Grants and contributions not restricted to specific programs					63,506	-	63,506	31
Unrestricted investment earnings					18,025	-	18,025	513
Transfers (note 5)					31	(31)	-	-
Total general revenues and transfers					525,439	(31)	525,408	544
Change in net assets					58,633	1,353	59,986	369
Net assets - beginning					724,403	20,745	745,148	11,442
Net assets - ending					\$ 783,036	\$ 22,098	\$ 805,134	\$ 11,811

The notes to the financial statements are an integral part of this statement.

FRANKLIN COUNTY, OHIO

Balance Sheet
Governmental Funds
December 31, 2005
(Amounts in the 000's)

	General	Board of MR&DD	Children Services Board	Public Assistance
Assets:				
Equity with County Treasurer (notes 1 & 4)	\$ 62,293	\$ 169,254	\$ 40,577	\$ 5,100
Cash and investments in segregated accounts (notes 1 & 4)	1	-	-	-
Accounts receivable	2,269	3,444	104	27
Accrued interest receivable	2,853	-	-	-
Sales taxes receivable	43,628	-	-	-
Due from other governments	31,592	28,853	36,431	15,265
Due from other funds (note 5)	630	-	258	17
Property taxes receivable, net (note 6)	39,266	140,954	107,720	-
Notes receivable (note 7)	671	-	-	-
Advances to other funds (notes 1 & 5)	291	-	-	-
Leases receivable (note 8)	198	-	-	-
Inventories (note 1)	1,414	593	28	36
Restricted cash (notes 1 & 4)	1,466	-	-	-
Total assets	\$ 186,572	\$ 343,098	\$ 185,118	\$ 20,445
Liabilities and Fund Balances:				
Liabilities:				
Accrued wages	\$ 7,772	\$ 3,482	\$ 2,093	\$ 1,476
Accounts payable	2,790	14,002	10,815	11,899
Due to other funds (note 5)	1,447	17	569	904
Due to component unit (note 5)	-	432	-	-
Deferred revenue (note 1)	44,876	30,602	36,117	7,730
Unearned revenue (note 1)	39,644	140,971	107,918	-
Liabilities payable from restricted assets	1,466	-	-	-
Total liabilities	97,995	189,506	157,512	22,009
Fund balances: (note 1)				
Reserved for notes receivable	671	-	-	-
Reserved for advances to other funds	291	-	-	-
Reserved for inventories	1,414	593	28	36
Unreserved, reported in:				
General fund:				
Designated for future years' expenditures (note 13)	11,250	-	-	-
Designated for claims (note 14)	18,750	-	-	-
Undesignated	56,201	-	-	-
Special revenue funds	-	152,999	27,578	(1,600)
Total fund balances	88,577	153,592	27,606	(1,564)
Total liabilities and fund balances	\$ 186,572	\$ 343,098	\$ 185,118	\$ 20,445

The notes to the basic financial statements are an integral part of this statement.

(Continued on next page)

FRANKLIN COUNTY, OHIO

Balance Sheet
Governmental Funds
December 31, 2005
(Amounts in the 000's)

	ADAMH Board	Other Governmental Funds	Total Governmental Funds
Assets:			
Equity with County Treasurer (notes 1 & 4)	\$ 17,479	\$ 83,264	\$ 377,967
Cash and investments in segregated accounts (notes 1 & 4)	-	1,414	1,415
Accounts receivable	562	899	7,305
Accrued interest receivable	-	3	2,856
Sales taxes receivable	-	-	43,628
Due from other governments	24,640	24,582	161,363
Due from other funds (note 5)	-	329	1,234
Property taxes receivable, net (note 6)	40,921	36,523	365,384
Loans receivable, net (note 1)	-	3,793	3,793
Notes receivable (note 7)	-	14,950	15,621
Advances to other funds (notes 1 & 5)	-	-	291
Leases receivable (note 8)	-	3,160	3,358
Inventories (note 1)	-	1,618	3,689
Restricted cash (notes 1 & 4)	-	-	1,466
Total assets	\$ 83,602	\$ 170,535	\$ 989,370
Liabilities and Fund Balances:			
Liabilities:			
Accrued wages	\$ 160	\$ 2,539	\$ 17,522
Accounts payable	18,424	8,448	66,378
Matured bonds and interest payable	-	677	677
Due to other funds (note 5)	24	985	3,946
Due to component unit (note 5)	-	-	432
Deferred revenue (note 1)	13,834	19,968	153,127
Unearned revenue (note 1)	40,903	43,256	372,692
Advances from other funds (notes 1 & 5)	-	291	291
Liabilities payable from restricted assets	-	-	1,466
Total liabilities	73,345	76,164	616,531
Fund balances: (note 1)			
Reserved for notes receivable	-	14,950	15,621
Reserved for advances to other funds	-	-	291
Reserved for inventories	-	1,618	3,689
Unreserved, reported in:			
General fund:			
Designated for future years' expenditures (note 13)	-	-	11,250
Designated for claims (note 14)	-	-	18,750
Undesignated	-	-	56,201
Special revenue funds	10,257	71,500	260,734
Debt service fund	-	30	30
Capital projects funds	-	6,273	6,273
Total fund balances	10,257	94,371	372,839
Total liabilities and fund balances	\$ 83,602	\$ 170,535	\$ 989,370

The notes to the basic financial statements are an integral part of this statement.

(Continued)

FRANKLIN COUNTY, OHIO
Reconciliation of Total Governmental Fund Balances
to Net Assets of Governmental Activities
December 31, 2005
(Amounts in 000's)

Total fund balances - governmental funds (page 31) \$ 372,839

Amounts reported for governmental activities in
the statement of net assets (page 28) are different because:

Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds. 430,882

Other assets are not available to pay for current period
expenditures and, therefore, are deferred in the funds.

Accrued interest receivable	2,359	
Sales taxes receivable	17,000	
Accounts receivable	1,781	
Due from other governments	109,189	
Property taxes receivable	19,440	
Leases receivable	3,358	
Deferred charges	450	
		153,577

Internal service funds are used by management to charge the
costs of employee benefits and telecommunications
to individual funds. The assets and liabilities of the internal
service funds are included in governmental activities in the
statement of net assets. 4,163

Some liabilities are not due and payable in the current period
and, therefore, are not reported in the funds:

Accrued interest	(531)	
General obligation bonds	(128,315)	
Bonds supported by lease revenues	(3,175)	
Unamortized bond premiums and deferred charges	(3,400)	
Notes	(2,014)	
Compensated absences	(31,242)	
Workers' compensation	(9,012)	
Capital leases	(736)	
		(178,425)

Net assets of governmental activities (page 28) \$ 783,036

The notes to the basic financial statements are an integral part of this statement.

FRANKLIN COUNTY, OHIO

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended December 31, 2005

(Amounts in 000's)

	General	Board of MR&DD	Children Services Board	Public Assistance
Revenues:				
Sales tax	\$ 97,633	\$ -	\$ -	\$ -
Real and other taxes (note 6)	33,106	131,769	100,635	-
Licenses and permits	694	-	-	-
Fees and charges for services	54,810	3,224	1,579	-
Fines and forfeitures	868	-	-	-
Intergovernmental	39,129	60,737	69,568	114,858
Investment income	16,799	-	-	-
Other	3,572	561	363	2,686
Total revenues	246,611	196,291	172,145	117,544
Expenditures:				
Current:				
General government	55,114	-	-	-
Judicial	62,644	-	-	-
Public safety	94,372	-	-	-
Human services	3,682	-	155,554	120,823
Health	-	177,557	-	-
Public works	449	-	-	-
Conservation and recreation	-	-	-	-
Community development	1,017	-	-	-
Capital outlays	2,621	-	-	-
Debt service:				
Principal retirement	280	38	73	12
Interest charges	79	1	21	54
Bond issuance cost	-	-	-	-
Intergovernmental grants	4,758	-	-	-
Total expenditures	225,016	177,596	155,648	120,889
Excess (deficiency) of revenues over (under) expenditures	21,595	18,695	16,497	(3,345)
Other financing sources (uses):				
Transfers in (notes 1 & 5)	4,851	-	-	7,159
Transfers out (notes 1 & 5)	(37,477)	-	-	(1,793)
Bond proceeds (note 10)	-	-	-	-
Refunding bonds issued (note 10)	-	-	-	-
Premium on issuance of bonds (note 10)	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Capital leases (notes 10 & 11)	347	-	-	-
Sale of capital assets	70	14	2	-
Total other financing sources (uses)	(32,209)	14	2	5,366
Net change in fund balances	(10,614)	18,709	16,499	2,021
Fund balances - beginning	99,191	134,883	11,107	(3,585)
Fund balances - ending	\$ 88,577	\$ 153,592	\$ 27,606	\$ (1,564)

The notes to the basic financial statements are an integral part of this statement.

(Continued on next page)

FRANKLIN COUNTY, OHIO

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds Year Ended December 31, 2005 (Amounts in 000's)

	ADAMH Board	Other Governmental Funds	Total Governmental Funds
Revenues:			
Sales tax	\$ -	\$ -	\$ 97,633
Real and other taxes (note 6)	37,971	30,363	333,844
Licenses and permits	-	912	1,606
Fees and charges for services	-	29,552	89,165
Fines and forfeitures	-	1,654	2,522
Intergovernmental	76,527	85,314	446,133
Investment income	-	207	17,006
Other	1,097	12,239	20,518
Total revenues	115,595	160,241	1,008,427
Expenditures:			
Current:			
General government	-	23,469	78,583
Judicial	-	1,559	64,203
Public safety	-	24,900	119,272
Human services	-	38,606	318,665
Health	114,863	-	292,420
Public works	-	38,242	38,691
Conservation and recreation	-	14,278	14,278
Community development	-	4,493	5,510
Capital outlays	-	23,481	26,102
Debt service:			
Principal retirement	33	9,200	9,636
Interest charges	6	5,691	5,852
Bond issuance cost	-	317	317
Intergovernmental grants	-	11,792	16,550
Total expenditures	114,902	196,028	990,079
Excess (deficiency) of revenues over (under) expenditures	693	(35,787)	18,348
Other financing sources (uses):			
Transfers in (notes 1 & 5)	-	32,778	44,788
Transfers out (notes 1 & 5)	(50)	(5,437)	(44,757)
Bond proceeds (note 10)	-	15,895	15,895
Refunding bonds issued (note 10)	-	25,085	25,085
Premium on issuance of bonds (note 10)	-	2,553	2,553
Payment to refunded bond escrow agent	-	(26,830)	(26,830)
Capital leases (notes 10 & 11)	-	-	347
Sale of capital assets	255	504	845
Total other financing sources (uses)	205	44,548	17,926
Net change in fund balances	898	8,761	36,274
Fund balances - beginning	9,359	85,610	336,565
Fund balances - ending	\$ 10,257	\$ 94,371	\$ 372,839

The notes to the basic financial statements are an integral part of this statement.

(Continued)

FRANKLIN COUNTY, OHIO
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2005
(Amounts in 000's)

Amounts reported for governmental activities in the statement of activities (page 29) are different because:

Net change in fund balances - total governmental funds (page 34)	\$ 36,274
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	16,011
The net effect of transactions involving sales of capital assets was to decrease net assets.	(3,061)
Revenues in the statement of activities that do not provide current financial resources were not reported as revenues in the funds.	12,161
Proceeds of debt provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the net effect of these differences.	(6,815)
Some expenses are reported in the statement of activities but do not require the use of current financial resources and therefore were not reported as expenditures in governmental funds.	3,335
Internal service funds are used by management to charge the costs of employee benefits and telecommunications to individual funds. The net revenue of the internal service funds is reported with governmental activities.	<u>728</u>
Change in net assets of governmental activities (page 29)	<u><u>\$ 58,633</u></u>

The notes to the basic financial statements are an integral part of this statement.

FRANKLIN COUNTY, OHIO
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Sales tax	\$ 88,448	\$ 88,448	\$ 84,777	\$ (3,671)
Real and other taxes	32,692	33,238	33,106	(132)
Licenses and permits	576	576	699	123
Fees and charges for services	52,278	52,731	56,998	4,267
Fines and forfeitures	721	721	865	144
Intergovernmental	38,034	38,252	38,609	357
Investment income	16,235	16,235	18,411	2,176
Other	3,139	3,119	3,686	567
Total revenues	232,123	233,320	237,151	3,831
Expenditures:				
Current:				
General government	64,280	65,777	55,278	10,499
Judicial	81,086	81,722	78,942	2,780
Public safety	82,652	82,823	79,859	2,964
Human services	3,407	4,015	3,688	327
Public works	499	499	454	45
Community development	1,198	1,198	1,045	153
Other	15,871	8,950	1,618	7,332
Capital outlays	30,075	30,075	2,680	27,395
Debt service	10,433	229	74	155
Intergovernmental grants	-	4,758	4,758	-
Total expenditures	289,501	280,046	228,396	51,650
Excess (deficiency) of revenues				
over (under) expenditures	(57,378)	(46,726)	8,755	55,481
Other financing sources (uses):				
Transfers in	36,367	36,430	5,129	(31,301)
Transfers out	(20,914)	(44,343)	(37,529)	6,814
Proceeds from sale of capital assets	92	92	70	(22)
Total other financing sources (uses)	15,545	(7,821)	(32,330)	(24,509)
Net change in fund balance	(41,833)	(54,547)	(23,575)	30,972
Fund balance - beginning	86,248	86,248	86,248	-
Fund balance - ending	\$ 44,415	\$ 31,701	\$ 62,673	\$ 30,972

The notes to the basic financial statements are an integral part of this statement.

FRANKLIN COUNTY, OHIO
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Board of MR&DD Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Real and other taxes	\$ 131,252	\$ 132,888	\$ 131,769	\$ (1,119)
Fees and charges for services	260	260	1,053	793
Intergovernmental	28,581	28,581	61,879	33,298
Other	630	630	559	(71)
<i>Total revenues</i>	160,723	162,359	195,260	32,901
Expenditures:				
Current:				
Health	305,333	305,333	189,411	115,922
<i>Total expenditures</i>	305,333	305,333	189,411	115,922
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(144,610)	(142,974)	5,849	148,823
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	14	14
<i>Total other financing sources (uses)</i>	-	-	14	14
<i>Net change in fund balance</i>	(144,610)	(142,974)	5,863	148,837
Fund balance - beginning	155,157	155,157	155,157	-
Fund balance - ending	\$ 10,547	\$ 12,183	\$ 161,020	\$ 148,837

The notes to the basic financial statements are an integral part of this statement.

FRANKLIN COUNTY, OHIO

Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Children Services Board Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Real and other taxes	\$ 108,811	\$ 104,064	\$ 100,635	\$ (3,429)
Fees and charges for services	1,634	1,634	1,579	(55)
Intergovernmental	72,391	72,391	71,419	(972)
Other	116	116	350	234
<i>Total revenues</i>	182,952	178,205	173,983	(4,222)
Expenditures:				
Current:				
Human services	176,803	176,803	158,229	18,574
<i>Total expenditures</i>	176,803	176,803	158,229	18,574
<i>Excess (deficiency) of revenues over (under) expenditures</i>	6,149	1,402	15,754	14,352
Other financing sources (uses):				
Proceeds from sale of capital assets	4	4	2	(2)
<i>Total other financing sources (uses)</i>	4	4	2	(2)
<i>Net change in fund balance</i>	6,153	1,406	15,756	14,350
Fund balance - beginning	18,498	18,498	18,498	-
Fund balance - ending	\$ 24,651	\$ 19,904	\$ 34,254	\$ 14,350

The notes to the basic financial statements are an integral part of this statement.

FRANKLIN COUNTY, OHIO
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Public Assistance Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental	\$ 125,144	\$ 125,144	\$ 121,672	\$ (3,472)
Other	3,388	3,388	2,691	(697)
<i>Total revenues</i>	128,532	128,532	124,363	(4,169)
Expenditures:				
Current:				
Human services	134,577	133,930	127,942	5,988
<i>Total expenditures</i>	134,577	133,930	127,942	5,988
<i>Excess (deficiency) of revenues</i>				
<i>over (under) expenditures</i>	(6,045)	(5,398)	(3,579)	1,819
Other financing sources (uses):				
Transfers in	7,387	7,387	7,159	(228)
Transfers out	-	(647)	(647)	-
<i>Total other financing sources (uses)</i>	7,387	6,740	6,512	(228)
<i>Net change in fund balance</i>	1,342	1,342	2,933	1,591
Fund balance - beginning	3,074	3,074	3,074	-
Fund balance - ending	\$ 4,416	\$ 4,416	\$ 6,007	\$ 1,591

The notes to the basic financial statements are an integral part of this statement.

FRANKLIN COUNTY, OHIO
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
ADAMH Board Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Real and other taxes	\$ 38,577	\$ 38,358	\$ 37,971	\$ (387)
Intergovernmental	71,991	72,334	73,889	1,555
Other	-	-	462	462
<i>Total revenues</i>	110,568	110,692	112,322	1,630
Expenditures:				
Current:				
Health	115,097	125,949	118,147	7,802
<i>Total expenditures</i>	115,097	125,949	118,147	7,802
<i>Excess (deficiency) of revenues</i>				
<i>over (under) expenditures</i>	(4,529)	(15,257)	(5,825)	9,432
Other financing sources (uses):				
Transfers in	-	388	114	(274)
Transfers out	(50)	(50)	(50)	-
Proceeds from sale of capital assets	-	-	255	255
<i>Total other financing sources (uses)</i>	(50)	338	319	(19)
<i>Net change in fund balance</i>	(4,579)	(14,919)	(5,506)	9,413
Fund balance - beginning	19,688	19,688	19,688	-
Fund balance - ending	\$ 15,109	\$ 4,769	\$ 14,182	\$ 9,413

The notes to the basic financial statements are an integral part of this statement.

FRANKLIN COUNTY, OHIO

Statement of Net Assets

Proprietary Funds

December 31, 2005

(Amounts in 000's)

	Business-type Activities Enterprise Funds			Governmental Activities
	Water and Sewer	Parking Facilities	Total	Internal Service Funds
Assets:				
Current assets:				
Equity with County Treasurer	\$ 3,156	\$ 2,261	\$ 5,417	\$ 8,053
Cash, cash equivalents and investments in segregated accounts (notes 1 & 4)	-	3	3	-
Accounts receivable, net	891	12	903	297
Due from other governments	288	-	288	-
Due from other funds (note 5)	-	-	-	2,739
Inventories (note 1)	80	6	86	-
Prepaid items (note 1)	-	-	-	265
Deferred charges (note 1)	-	64	64	-
Total current assets	<u>4,415</u>	<u>2,346</u>	<u>6,761</u>	<u>11,354</u>
Noncurrent assets:				
Capital assets, net of accumulated depreciation:				
Nondepreciable (notes 1 & 9)	1,722	-	1,722	-
Depreciable (notes 1 & 9)	<u>16,456</u>	<u>9,685</u>	<u>26,141</u>	<u>148</u>
Total noncurrent assets	<u>18,178</u>	<u>9,685</u>	<u>27,863</u>	<u>148</u>
Total assets	<u>22,593</u>	<u>12,031</u>	<u>34,624</u>	<u>11,502</u>
Liabilities:				
Current liabilities:				
Accrued wages	36	15	51	24
Compensated absences payable (notes 1 & 10)	15	1	16	-
Accounts payable	901	50	951	7,167
Accrued interest	-	24	24	-
Due to other funds (note 5)	13	14	27	-
General obligation bonds (note 10)	-	755	755	-
Notes payable (note 10)	<u>328</u>	<u>-</u>	<u>328</u>	<u>-</u>
Total current liabilities	<u>1,293</u>	<u>859</u>	<u>2,152</u>	<u>7,191</u>
Noncurrent liabilities:				
Compensated absences payable (notes 1 & 10)	100	14	114	-
General obligation bonds, net of unamortized premiums and deferred amount on refunding (note 10)	-	5,153	5,153	-
Notes payable (note 10)	<u>5,107</u>	<u>-</u>	<u>5,107</u>	<u>-</u>
Total noncurrent liabilities	<u>5,207</u>	<u>5,167</u>	<u>10,374</u>	<u>-</u>
Total liabilities	<u>6,500</u>	<u>6,026</u>	<u>12,526</u>	<u>7,191</u>
Net assets:				
Invested in capital assets, net of related debt	12,743	3,777	16,520	148
Unrestricted	<u>3,350</u>	<u>2,228</u>	<u>5,578</u>	<u>4,163</u>
Total net assets	<u>\$ 16,093</u>	<u>\$ 6,005</u>	<u>\$ 22,098</u>	<u>\$ 4,311</u>

The notes to the basic financial statements are an integral part of this statement.

FRANKLIN COUNTY, OHIO

Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
Year Ended December 31, 2005
(Amounts in 000's)

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Parking Facilities	Total	Internal Service Funds
Operating revenues:				
Fees and charges for services	\$ 5,017	\$ 2,714	\$ 7,731	\$ 54,176
Other	36	4	40	543
Total operating revenues	5,053	2,718	7,771	54,719
Operating expenses:				
Personal services	763	367	1,130	562
Cost of sales and services	3,321	908	4,229	53,428
Depreciation (note 9)	289	314	603	15
Total operating expenses	4,373	1,589	5,962	54,005
Operating income	680	1,129	1,809	714
Nonoperating revenues (expenses):				
Interest expense	(168)	(291)	(459)	-
Bond issuance costs	-	(11)	(11)	-
Total nonoperating revenues (expenses)	(168)	(302)	(470)	-
Income (loss) before contributions and transfers	512	827	1,339	714
Capital contributions	45	-	45	-
Transfers out	(31)	-	(31)	-
Change in net assets	526	827	1,353	714
Net assets - beginning	15,567	5,178	20,745	3,597
Net assets - ending	\$ 16,093	\$ 6,005	\$ 22,098	\$ 4,311

The notes to the basic financial statements are an integral part of this statement.

FRANKLIN COUNTY, OHIO

Statement of Cash Flows
 Proprietary Funds
 Year Ended December 31, 2005
 (Amounts in 000's)

	Business-type Activities Enterprise Funds			Governmental Activities
	Water and Sewer	Parking Facilities	Total	Internal Service Funds
Cash flows from operating activities:				
Cash collections from customers	\$ 5,073	\$ 2,706	\$ 7,779	\$ 58,925
Cash payments to suppliers	(3,446)	(872)	(4,318)	(51,338)
Cash payments for salaries	(768)	(375)	(1,143)	(534)
Net cash provided by operating activities	859	1,459	2,318	7,053
Cash flows from noncapital financing activities:				
Transfers to other funds	(31)	-	(31)	-
Net cash used in noncapital financing activities	(31)	-	(31)	-
Cash flows from capital and related financing activities:				
Proceeds of capital grants	880	-	880	-
Construction and acquisition of capital assets	(5,470)	-	(5,470)	-
Proceeds of notes for capital purposes	2,795	-	2,795	-
Principal payments on bonds and notes	(201)	(735)	(936)	-
Interest payments on bonds and notes	(168)	(330)	(498)	-
Net cash used in capital and related financing activities	(2,164)	(1,065)	(3,229)	-
Increase (decrease) in cash for the year	(1,336)	394	(942)	7,053
Cash and cash equivalents - beginning	4,492	1,867	6,359	1,000
Cash and cash equivalents - ending	\$ 3,156	\$ 2,261	\$ 5,417	\$ 8,053

The notes to the basic financial statements are an integral part of this statement.

(Continued on next page)

FRANKLIN COUNTY, OHIO

Statement of Cash Flows
 Proprietary Funds
 Year Ended December 31, 2005
 (Amounts in 000's)

	Business-type Activities Enterprise Funds			Governmental Activities
	Water and Sewer	Parking Facilities	Total	Internal Service Funds
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 680	\$ 1,129	\$ 1,809	\$ 714
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	289	314	603	15
Changes in operating assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	20	(12)	8	349
Due from other funds	-	-	-	3,742
Inventories	(64)	(3)	(67)	-
Prepaid items	51	-	51	-
Increase (decrease) in:				
Accrued wages	(4)	(2)	(6)	24
Accounts payable	(114)	30	(84)	2,209
Due to other funds	(8)	3	(5)	-
Compensated absences	9	-	9	-
Net cash provided by operating activities	\$ 859	\$ 1,459	\$ 2,318	\$ 7,053

NONCASH CAPITAL TRANSACTIONS

Item prepaid in prior period used for capital purposes	\$ 20	\$ -	\$ 20	\$ -
Due from other governments for capital purposes	\$ 288	\$ -	\$ 288	\$ -
Construction of capital assets in accounts payable	\$ 236	\$ -	\$ 236	\$ -

The notes to the basic financial statements are an integral part of this statement.

(Continued)

FRANKLIN COUNTY, OHIO
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
December 31, 2005
(Amounts in 000's)

	<u>Agency Funds</u>
Assets:	
Equity with County Treasurer (notes 1 & 4)	\$ 143,980
Cash and investments in segregated accounts (notes 1 & 4)	25,010
Due from other governments	2,650
Property taxes receivable, net (note 6)	<u>1,368,275</u>
Total assets	<u>\$ 1,539,915</u>
Liabilities:	
Undistributed assets	\$ 1,492,880
Deposits held and due to others	<u>47,035</u>
Total liabilities	<u>\$ 1,539,915</u>

The notes to the basic financial statements are an integral part of this statement.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Note 1 – Summary of Significant Accounting Policies

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting principles. Franklin County (the County and the primary government) follows GASB guidance as applicable to its governmental and business-type activities, and Financial Accounting Standards Board (FASB) statements and interpretations, Accounting Principles Board opinions, and Accounting Research Board bulletins issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements or that have been made applicable by the GASB. The County has elected to follow GASB guidance for business-type activities and proprietary funds rather than FASB guidance issued after November 30, 1989. The most significant of the County's accounting policies are described below.

A. Reporting Entity

Franklin County was formed in 1803 and is a political subdivision of the State of Ohio. The three Commissioners serve as the County's budgeting, taxing and contracting authority. The Auditor serves as the chief fiscal officer. The Treasurer serves as the custodian of funds. All are elected positions.

The reporting entity is comprised of the primary government and other organizations (component units) that are included to ensure that the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the County and for which the Commissioners are financially accountable.

Component units are legally separate organizations for which the County is financially accountable. Financial accountability exists in situations where the Commissioners appoint a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units may also include organizations for which the County approves the budget, the issuance of debt or the levying of taxes.

The component units column on the government-wide financial statements includes the financial data of the County's discretely presented component units. They are reported in a separate column to emphasize their legal separation from the County. Condensed financial information for each component unit is provided in note 18.

ARC Industries, Incorporated, of Franklin County, Ohio (ARC Industries) ARC Industries is a sheltered, not-for-profit workshop that enters into contracts with the business community to provide workers for various manufacturing and service industry jobs. ARC Industries employs clients of the Franklin County Board of Mental Retardation and Developmental Disabilities (the Board of MR&DD) to fill these positions. (The Board of MR&DD is part of the primary government and its operations are accounted for as a special revenue fund.) All supervisory personnel at ARC Industries are Board of MR&DD employees. The Board of MR&DD trains the client-employees and provides the training supplies as well as the production facilities. ARC Industries buys the supplies used in its manufacturing processes. The two entities cooperate under a joint agreement that is automatically renewed annually unless either party gives notice within 30 days of year-end of its intention to cancel the agreement.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

ARC Industries' board is appointed by the Board of MR&DD. Through ARC Industries' relationship with the Board of MR&DD, the County can impose its will on ARC Industries, and ARC Industries imposes a financial burden on the County.

Veterans Memorial Hall Veterans Memorial Hall was built to commemorate the services of all members and veterans of the United States armed forces and to provide a center for veterans' meetings and programs. The Commissioners appoint the board of trustees in a non-authoritative manner. The designation of Veterans Memorial Hall's management and control of its operations are under the direction and control of the trustees.

The County owns Veterans Memorial Hall and leases it to the trustees under an agreement that extends until 2013. Under the agreement, the County receives rent equal to Veterans Memorial Hall's annual net income from operations plus all reserves in excess of \$250,000. No rent was paid in 2005, imposing a financial burden on the County.

The County issued general obligation bonds to finance renovations and improvements to the facility. Debt service is the County's responsibility.

Franklin County Stadium, Inc. and Columbus Baseball Team, Inc. (Stadium and Team) These two interrelated nonprofit corporations were organized under ORC Chapter 1702 to provide entertainment and recreation in the stadium for the benefit and general welfare of the County. Upon dissolution of the corporations, their assets become the property of the Commissioners. The Franklin County Board of Parks and Recreation directs both the stadium and the team. While appointed by the Commissioners, the board operates autonomously and selects its own management.

The County owns the franchise for the team, entitling the County to field a team in the International League but without the authority to determine which team plays in the stadium. The Stadium and Team manages and operates Cooper Stadium, which is owned by the County, through a lease agreement. The County, upon one year's notice, can cancel the lease agreement. The County receives rent equal to those revenues in excess of expenditures that are not required for future operation of the Stadium and Team, with minimum annual rent of \$1. The minimum annual rent was paid in 2005, imposing a financial burden on the County.

Complete financial statements for each of the individual component units may be obtained from the unit's administrative office.

ARC Industries
2879 Johnstown Road
Columbus, Ohio 43219

Veterans Memorial Hall
300 West Broad Street
Columbus, Ohio 43215

Franklin County Stadium
1155 West Mound Street
Columbus, Ohio 43223

In the case of the entities listed below, the County serves as fiscal agent but is not financially accountable for their operations. Accordingly, the activities of these entities are presented as agency funds within the basic financial statements.

Franklin County Board of Health
Franklin County Soil and Water Conservation District
Franklin County Family and Children First Council
Mid-Ohio Regional Planning Commission

The County's joint ventures and related organizations are listed below. A joint venture is a legal entity or other organization that results from a contractual arrangement, and that is owned, operated or governed

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

by two or more participants as a separate and specific activity subject to joint control, in which the participants retain an ongoing financial interest or responsibility. For the related organizations, the County either appoints or acts as a member on the board, but the County's accountability for the organizations does not extend beyond the board membership. See notes 19 and 20, respectively, for more detail.

Joint Ventures

Franklin Park Conservatory Joint Recreation District
Columbus/Franklin County Affordable Housing Trust Corporation
Columbus Regional Airport Authority

Related Organizations

Central Ohio Workforce Investment Corporation
Columbus Metropolitan Library
Columbus Metropolitan Housing Authority
Columbus and Franklin County Metropolitan Park District
Franklin County Family and Children First Council
Franklin County Convention Facilities Authority
New Albany Community Authority District
Pinnacle Community Infrastructure Financing Authority

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement Focus Measurement focus refers to *what* is expressed in reporting an entity's financial performance and position. A particular measurement focus is accomplished by considering *which* resources are measured. Changes in the economic resources are reflected as changes in net assets (total assets less total liabilities). This focus is used in the government-wide, the proprietary fund and the fiduciary fund financial statements. Changes in the current financial resources focuses on the transactions or events that have increased or decreased the resources available for spending in the near future. This focus is used in the governmental fund financial statements.

Basis of Accounting Basis of accounting determines *when* transactions are reported on the financial statements. Differences in the accrual and the modified accrual basis of accounting arise in the timing of recognition of revenue and the recording of deferred revenue, and in the presentation of expenses versus expenditures. The government-wide, the proprietary fund and the fiduciary fund financial statements report transactions on the accrual basis. The governmental fund financial statements utilize the modified accrual method. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means that the resources will be collected soon enough to be used to pay liabilities of the current fiscal year. The County considers revenues to be available if collected within sixty days of year-end. Under the non-GAAP budgetary basis, transactions are recorded when cash is received or disbursed.

Revenues: Exchange and Non-exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Non-exchange transactions, in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, entitlements and donations. On the accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place.

On the modified accrual basis, revenue from transactions must also be available before it can be recognized. Under this basis, the following revenue sources are considered to be both measurable and available at year-end: sales taxes, interest, federal and state

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

grants and subsidies, state-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), fees and rentals.

Unearned Revenue Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of December 31, 2005, but which were levied to finance year 2006 operations, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue.

Deferred Revenue On the governmental fund financial statements, receivables that will not be collected within the available period have been reported as deferred revenue.

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is decreases in net financial resources (expenditures) rather than expenses. On the modified accrual basis, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, provided current financial resources are to be used. As a result, compensated absences and most claims and judgments are not recorded as expenditures or liabilities until current financial resources are required. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Financial Statement Presentation The County's basic financial statements consist of government-wide statements displaying information about the County as a whole, and fund financial statements that provide a more detailed level of financial information.

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The statement of net assets and the statement of activities include the non-fiduciary financial activities of the primary government and its component units. The statements distinguish between those primary government activities that are governmental (financed primarily by taxes and grants) and those that are business-type (relying significantly on user fees and charges). Component units are aggregated and shown in a single column, regardless of the type of underlying activity.

The statement of net assets presents the financial condition of the governmental and business-type activities of the County and its component units at year-end. All assets and liabilities associated with the operation of the County are included. Interfund receivables and payables within governmental activities and within business-type activities have been eliminated to minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total columns. The balances of the internal service funds have been eliminated against the expenses and program revenues shown in governmental activities on the statement of activities.

The statement of activities demonstrates the degree to which the direct expenses are offset by program revenues for each function of the County's governmental activities, for each segment of the business-type activities of the County and for activities of the County's component units. This comparison of direct expenses with program revenues identifies the extent to which each segment or function is self-financing or draws from the County's general revenues. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function or segment. Program revenues include (1) charges paid by the recipient of the goods or services and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues that are not classified as program revenues are presented as general revenues of the County. The activities of the internal service funds and interfund activity within

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

the same function have been eliminated to avoid duplicating revenues and expenses. However, interfund services provided and used between functions are not eliminated in the process of consolidation. The County does not allocate indirect expenses to functions or segments in the statement of activities.

Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see note 6). Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include *timing* requirements that specify the year when the resources are required to be used or the year when use is first permitted; *matching* requirements in which the County must provide local resources to be used for a specified purpose; and *expenditure* requirements in which the resources are provided to the County on a reimbursement basis.

Fund Financial Statements During the year, the County uses funds to segregate transactions related to certain functions or activities in order to aid financial management and demonstrate legal compliance. Separate financial statements present financial information at a more detailed level for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The governmental and enterprise fund financial statements focus on major funds, with each major fund presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The County also maintains two internal service funds. Agency funds, which are a type of fiduciary fund, are used to account for assets held by the government as an agent for individuals, private organizations and other governments.

Governmental Funds Governmental funds are those through which most governmental functions are financed. All governmental funds are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Expendable assets are assigned to the various governmental funds according to the purposes for use. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Therefore, a reconciliation with brief explanations is included so as to better identify the relationship between the government-wide statements and the statements for governmental funds.

The following are the County's major governmental funds:

General Fund The General Fund is the primary operating fund and is available for any purpose, provided it is expended or transferred in accordance with state law. It accounts for all financial resources of the primary government not recorded elsewhere.

Board of Mental Retardation and Developmental Disabilities (Board of MR&DD) Fund The Board of MR&DD fund accounts for property taxes and federal and state grants restricted to expenditures for those services that benefit the mentally retarded and the developmentally disabled. Expenditures include those for social service contracts, medical providers and the maintenance and operation of buildings and buses.

Children Services Board Fund The Children Services Board fund accounts for property taxes and federal and state funds restricted for programs designed to help abused, neglected, dependent and troubled children and their families.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Public Assistance Fund The Public Assistance fund accounts for funding from various federal and state grants used to provide job training and public assistance to qualified clients, to pay their medical providers and for certain social services.

Alcohol, Drug and Mental Health Board (ADAMH Board) Fund The ADAMH Board fund accounts for the provision of alcohol, drug addiction and mental health services to the public, generally through contracts with local mental health agencies. The largest revenue sources are property taxes, and federal and state funding.

The County's nonmajor governmental funds account for (1) grants and other resources where use is restricted to a particular purpose; (2) the accumulation of resources for, and payment of, the principal, interest and related costs for the County's general obligation long-term debt; and (3) financial resources used for the acquisition, construction or renovation of facilities (other than those financed by proprietary funds).

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. Like the government-wide statements, all proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities associated with the operation of these funds are included on the statement of net assets. The statement of revenues, expenses and changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The County intends that the cost of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. The County's enterprise funds are listed below:

Water and Sewer Fund The Water and Sewer fund accounts for the provision of water and sewer services to some parts of the County not serviced by other local water and sewer operations.

Parking Facilities Fund The Parking Facilities fund accounts for the fees and operations of parking facilities near County offices that serve County employees and the general public.

Internal service funds account for the financing of services provided by one agency to other agencies of the government on a cost-reimbursement basis. The County has an internal service fund to account for employee benefits and one for telecommunication charges to other funds.

Fiduciary Funds Fiduciary fund reporting focuses on net assets and changes in net assets and uses the accrual basis of accounting. Because of their custodial nature, fiduciary funds do not measure results of operations and do not have a measurement focus. The County uses agency funds to account for assets held in a purely custodial capacity as fiscal agent for other entities, and for various taxes, state-shared revenues, and fines and forfeitures collected on behalf of and distributed to other local governments. Agency fund transactions typically involve only the receipt, temporary investment and distribution of these resources.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

C. Cash, Cash Equivalents and Investments

Cash resources of the majority of individual funds are combined to form a pool of cash and investments managed by the County Treasurer. Interest earned on investments is accrued as earned. Under existing Ohio law, all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. Distribution is made utilizing a formula based on the average month-end balance of cash and cash equivalents of all funds.

For reporting purposes, "Equity with County Treasurer" is defined as cash on hand, demand deposits and investments held in the County treasury. "Cash and investments in segregated accounts" is defined as cash, deposits and investments not held in the treasury. "Restricted cash" is defined as cash, deposits and investments held either in the treasury or in an outside account, and which is separate from the County's assets (e.g., customer deposits or unclaimed moneys).

For cash flow reporting purposes, the County's proprietary funds consider cash and cash equivalents to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. "Equity with County Treasurer" is considered to be cash and cash equivalents since these assets are available on demand.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments held by the Treasurer are stated at fair value using quoted market prices, except for repurchase agreements that are reported at cost. Net unrealized gains and losses calculated through the aggregate method are recorded as investment income in the General Fund. By statute, the Treasurer invests any short-term cash surplus. The residual investments are included in "Equity with County Treasurer." STAR Ohio is an investment pool that allows governments within the State to pool their funds for investment purposes. STAR Ohio is managed by the State Treasurer's Office and is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2005. Note 4 provides detailed disclosure regarding cash, cash equivalents and investments held by the County.

Investments held by the Component Units are considered available for sale and are stated at fair value. The Component Units use the specific identification cost method when calculating realized gains and losses on sales of investments.

D. Loans Receivable

"Loans receivable" consists of long-term revolving loans for housing and community development projects. The programs are primarily funded by a federal block grant, with a local match from the County. "Loans receivable" is offset by a credit to "Unearned revenue." The expenditure is recorded when the loan is made. The loans for which there is some doubt of collection are not included in the receivable.

E. Inventory

Inventory consists of expendable supplies held for consumption. Inventories are valued at cost using the first in/first out (FIFO) method and recorded as expenditures/expenses when used rather than when purchased.

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2005, are recorded as prepaid items in both the government-wide and fund financial statements. The consumption method is

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

used, recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

G. Capital Assets

Capital assets are those assets not specifically related to activities reported in the proprietary funds and generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market value as of the date received. The County maintains a capitalization threshold of \$5,000 (amount not rounded), an estimated life of five or more years and a salvage value equal to 10 percent of the original cost for certain assets. The County's infrastructure consists of roads, bridges, culverts, water lines and sewer lines. The costs of improvements and major renovations that extend the asset's useful life are capitalized. Interest incurred during the construction of assets utilized by the enterprise funds is also capitalized. Normal maintenance and repair costs that do not add to the value of the asset nor materially extend an asset's life are not capitalized.

Capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure have been estimated based on the County's historical records of necessary improvements and replacement. Capital assets are shown net of accumulated depreciation. Depreciation and amortization of capitalized interest are computed using the straight-line method over the following estimated useful lives:

Buildings	30-50 years
Building improvements	10-25 years
Roads, bridges and culverts	37-50 years
Sewer and water lines	20-70 years
Machinery and equipment	5-20 years

H. Interfund Balances

Activity between funds that represents lending/borrowing arrangements outstanding, and unpaid interfund services at the end of the fiscal year are referred to as "Due to/from other funds" or "Advances to/from other funds." Interfund receivables and payables within governmental activities and within business-type activities have been eliminated in the government-wide statement of net assets; any residual balances outstanding between the governmental activities and business-type activities are reported as "Internal balances."

I. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported on the government-wide statement of net assets, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in full from current financial resources are reported as obligations of the funds. Bonds, loans and capital leases are recognized as liabilities on the fund financial statements when due.

J. Self-insurance

The Commissioners have formed the Franklin County Cooperative Health Benefits Program (the Program) to provide multiple employee health care benefit plans. 4,700 Franklin County employees and approximately 1,300 employees of other political subdivisions are covered by the Program. Premiums are established based upon an independent actuarial evaluation, and are designed to be sufficient to cover all incurred claims and build a reserve for this joint self-insurance arrangement. If the reserve is insufficient at any point in time to cover catastrophic losses, the losses will be covered by the County's General Fund with adjustments being made to future premium rates. The County is the predominant participant, and activities related to the Program are reported in the Employee Benefits internal service fund. The County has recorded a liability at year-end for both pending claims and incurred but unreported claims in the Employee Benefits fund.

K. Compensated Absences

The County permits employees to accumulate earned but unused vacation and sick leave benefits. Vacation benefits are accrued as a liability in the government-wide and proprietary fund financial statements when the benefits are earned if (1) the vacation leave is related to services already rendered and (2) it is probable that the employee will be compensated through time off or some other means in a future period. Sick leave benefits are accrued in the government-wide and proprietary fund financial statements using the vesting method. The sick leave liability is based on accumulated sick leave and employee wage rates at December 31 for those employees who are currently eligible to receive termination benefits and those the County has identified as probable of receiving payment in the future. A liability for compensated absences is recorded in governmental funds only if they have matured, for example as a result of employee resignation or retirement.

The criteria for determining vacation and sick leave liabilities are based on Commissioners' policies for compensated absences. The policies set by negotiated agreements and by other appointing authorities may vary slightly. In general, vacation and sick leave are accumulated based on hours worked. Vacation pay is fully vested after one year of full-time service. By Ohio law, accumulated vacation cannot exceed three times the annual accumulation rate for an employee. There is no limit for the accumulation of sick leave. Employees with eight to eighteen years of service at time of separation or retirement receive payment for one-fourth of their accumulated sick leave. Employees with eighteen or more years of service receive payment for one-half of their accumulated sick leave. All payments are made at the employee's current wage rate.

L. Fund Balance Reserves and Designations

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. Unreserved fund balance indicates that portion of fund equity that is available for appropriation in future periods.

M. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

assets are reported as restricted when there are limitations imposed on their use through Commissioners' resolution, or external restrictions imposed by creditors or grantors, or laws or regulations of other governments. The County applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

N. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for water and sewer services and for use of the parking facilities. Operating expenses are necessary costs incurred to provide the services that are the primary activities of the fund. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

O. Capital Contributions

In proprietary fund financial statements, capital contributions arise from contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

P. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds.

Q. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 2 – Changes in Accounting Principles

The Governmental Accounting Standards Board (GASB) has issued several pronouncements recently. With this financial report, the County has implemented GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, GASB Statement No. 44, *Economic Condition Reporting: The Statistical Section—an amendment of NCGA Statement 1*, and GASB Statement No. 46, *Net Assets Restricted by Enabling Legislation – an amendment of GASB Statement No. 34*. Implementation of these GASB statements had no impact on the County's financial position or results of operations.

In 2004, the GASB issued Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Plans*. Statement No. 47, *Accounting for Termination Benefits*, was issued in June 2005. The County has determined that these three statements have no impact on its financial statements as of December 31, 2005.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Note 3 – Budgetary Information and Compliance

In accordance with Ohio law, annual budgets are adopted for the General Fund, special revenue funds, the Debt Service fund, capital projects funds, and proprietary funds.

The Franklin County Budget Commission, composed of the Auditor, Treasurer and Prosecutor, approves tax budgets and certificates of estimated resources for the County itself and for schools, municipalities, townships and other agencies that are funded by tax dollars. The certificate of estimated resources issued by the Budget Commission states the projected revenue of each fund and establishes a limit on the amount the County may appropriate. The County's total contemplated expenditures from any fund during the fiscal year cannot exceed the amount available as stated in the certificate of estimated resources. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. During the year, as actual revenues vary from the estimates, the certificate may be amended further if an estimate needs either to be increased or decreased. Such amendments were made during 2005. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the amended certificate at the time the original appropriations resolution was adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during 2005.

The appropriations resolution is the Commissioners' authorization to spend resources. The resolution sets annual limits on expenditures plus encumbrances at the major object level within a fund, thereby establishing the legal level of control. The Commissioners passed the 2005 appropriation resolution on December 14, 2004. Revisions to the original budget require a resolution signed by at least two Commissioners. Supplemental appropriations were made during 2005. At the end of the year, all encumbrances are canceled and all appropriations lapse, reverting to the respective funds from which they were appropriated.

The County reports financial position, results of operations and changes in fund balance based on generally accepted accounting principles (GAAP). State law also requires the County to account for transactions on a non-GAAP budgetary basis of cash receipts, cash disbursements and encumbrances. The major differences between the non-GAAP budgetary basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Borrowing arrangements between funds are treated as revenues and expenditures (budget) as opposed to increases and decreases in assets and liabilities (GAAP).

The statement of revenues, expenditures and changes in fund balances – budget and actual (non-GAAP budgetary basis) is presented in the basic financial statements for the General Fund and major special revenue funds. Adjustments necessary to reconcile the results of operations at the end of the year between the GAAP basis and the non-GAAP budgetary basis are as follows:

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Net Change in Fund Balance (Deficit) General and Major Special Revenue Funds (Amounts in 000's)					
	General	Board of MR&DD	Children Services Board	Public Assistance	ADAMH Board
GAAP basis	\$ (10,614)	\$ 18,709	\$ 16,499	\$ 2,021	\$ 898
Net adjustment for revenue accruals	(9,807)	(1,031)	1,838	6,819	(3,273)
Net adjustment for expenditure accruals	(3,380)	(11,815)	(2,581)	(5,907)	(3,245)
Differences in reporting for interfund balances	226	-	-	-	114
Non-GAAP budgetary basis	<u>\$ (23,575)</u>	<u>\$ 5,863</u>	<u>\$ 15,756</u>	<u>\$ 2,933</u>	<u>\$ (5,506)</u>

Under Ohio law, budgetary appropriations may not exceed estimated resources, with a balanced budget maintained in each fund. For the year ended December 31, 2005, all funds were in compliance. There were no funds in which the estimated resources plus the beginning fund balance (deficit) were not sufficient to cover the current year appropriations. The Public Assistance fund and one nonmajor special revenue fund (Homeland Security and Justice Programs Fund) had negative fund balances on the GAAP basis due to the timing of the receipt of intergovernmental revenue.

Note 4 – Cash, Deposits and Investments

Moneys held by the County are classified by state statute into two categories. Active moneys are public moneys determined to be necessary to meet current demand upon the County treasury. Active moneys must be maintained either as cash in the County treasury, in commercial accounts payable or able to be withdrawn on demand, or in money market deposit accounts. Moneys held by the County that are not considered active are classified as inactive. Inactive moneys are invested in authorized securities in accordance with the Franklin County Treasurer Investment and Depository Policy, as adopted by majority vote of the Investment Advisory Committee.

A. Primary Government

Deposits: Deposits include amounts held in demand accounts and savings accounts. At year-end, the carrying amount of the County's deposits was \$189,374,000. The bank balances totaled \$204,910,000. Both the book and bank balances include \$55,000,000 in certificates of deposit.

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned. Protection of the County's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the County Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution. Of the bank balances totaling \$204,910,000, \$1,971,000 was insured by FDIC. The remaining balance of \$202,939,000 was collateralized with securities held in single financial institution collateral pools in the name of the respective depository bank, and pledged as a pool of collateral against all the public moneys it holds. All County demand deposits were either insured or collateralized, in accordance with state law and the County's investment policy. The County has no deposit policy for custodial credit risk beyond the requirements of State statute.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Investments: The following securities are authorized investments under both the County's policy and the Ohio Revised Code:

1. United States Treasury notes, bills, bonds, or other obligation or security issued by the Treasury, any other obligation guaranteed as to principal and interest by the U. S., or any book entry, zero-coupon security that is a direct obligation of the United States.
2. Bonds, notes, debentures, or any other obligations or securities issued directly by any federal government agency or instrumentality.
3. Bonds and other obligations of the State of Ohio or its political subdivisions, provided that such political subdivisions are located wholly or partly within the County and the investments shall not exceed five percent of the County's total average portfolio.
4. The State Treasurer's investment pool (STAR Ohio).
5. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that the investments are made only through eligible institutions and the investments shall not exceed 50 percent of the County's total average portfolio.
6. Up to 15 percent of the County's total average portfolio in high-grade notes issued by U. S. corporations, and the notes mature no later than two years after purchase.
7. Up to 25 percent of the County's total average portfolio in either of the following:
 - a. High grade commercial paper when the aggregate value of the notes does not exceed ten percent of the aggregate value of the outstanding commercial paper of the issuing corporation, and the notes mature no later than 270 days after purchase.
 - b. Bankers acceptances of banks insured by the FDIC when the obligations are eligible for purchase by the Federal Reserve System and mature no later than 180 days after purchase.
8. High-grade debt interests issued by foreign nations diplomatically recognized by the U.S. government. All interest and principal shall be denominated and payable in U.S. funds. In the aggregate, this investment shall not exceed one percent of a two-year rolling average of the County's portfolio, and shall mature no later than five years after purchase.
9. Written repurchase agreements in the securities described in (1) or (2) provided that the market value of the agreement be at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days.

Investments in derivative securities, reverse repurchase agreements and collateralized mortgage obligations are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and purchases on margin or short sale are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific County obligation or debt.

As of December 31, 2005, the primary government had the following investments (based on quoted market prices) and maturities:

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

(Amounts in 000's, Time in Years)					
Investment Type	Fair Value	Less than 1	1 – 2	3 – 5	% of Portfolio
U.S. treasuries	\$ 320	\$ 220	\$ 100	\$ -	0.08%
FHLB notes	148,296	92,399	41,015	14,882	38.92%
FNMA notes	85,991	34,720	21,810	29,461	22.57%
FHLMC notes	97,651	65,917	17,082	14,652	25.63%
FFCB notes	14,872	9,922	-	4,950	3.90%
Foreign bonds	6,000	-	-	6,000	1.57%
STAR Ohio	5	5	-	-	0.01%
Money markets	27,933	27,933	-	-	7.32%
Total investments	<u>\$ 381,068</u>	<u>\$ 231,116</u>	<u>\$ 80,007</u>	<u>\$ 69,945</u>	<u>100.00%</u>

Interest rate risk: The Ohio Revised Code and the Investment and Depository Policy of the County limit the purchase of securities to those with a maturity of no more than five years from the date of purchase unless matched to a specific obligation or debt of the County.

Credit risk: The ORC limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations at the time of purchase. In addition, the County's investment policy requires that all corporate bonds be triple-A rated issuers (the highest possible rating). All federal agency notes had a rating of AAA from Standard & Poor's, and Aaa from Moody's. The State of Israel Bonds were rated A2 by Standard & Poor's, and A- by Moody's. Standard & Poor's has assigned STAR Ohio an AAAm money market rating. The County had investments in three other money market accounts at year-end, each rated AAAm by Standard & Poor's and Aaa by Moody's.

Concentration of credit risk: The County's investment policy provides for diversification to avoid undue concentration in securities of one type or securities of one financial institution. This restriction does not apply to obligations guaranteed by the U.S. government. Of the County's total investments, 38.9 percent are FHLB notes, 22.6 percent are FNMA notes and 25.6 percent are FHLMC notes; 7.3 percent is invested in money market accounts. All other investment types are less than five percent of the County's total investments.

Custodial credit risk: For an investment, the custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. In order to mitigate custodial risk, the County purchases its investments only through an approved broker/dealer or institution. Further, payment for investments is made only upon delivery of the securities representing the investments to the Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

B. Component Units

Deposits: All monies are deposited into banks or investment companies designated by each component unit's governing board. Funds not needed for immediate expenditure may be deposited in interest bearing or non-interest bearing accounts, or U.S. government obligations. Security shall be furnished for all deposits, whether interest bearing or non-interest bearing, except that no such security is required for U.S. government obligations.

Custodial risk is the risk that, in the event of bank failure, the deposits of the component unit might not be recovered. At December 31, 2005, discretely presented component units held demand deposits with a carrying value of \$4,107,000. The bank balances totaled \$3,966,000. Both the book and bank balances

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

include \$3,076,000 in certificates of deposit. Of the bank balances totaling \$3,966,000, \$1,519,000 was insured by FDIC. The remaining balance of \$2,447,000 was uncollateralized.

Investments: As of December 31, 2005, the component units had the following investments (based on quoted market prices) and maturities (where applicable):

(Amounts in 000's, Time in Years)			
Investment Type	Fair Value	Weighted Average Maturity	Percentage of Portfolio
STAR Ohio	\$ 48	0.003	0.99%
Managed equity account	1,609	N/A	33.35%
Mutual funds	730	N/A	15.12%
Money market accounts	1,962	N/A	40.67%
Cash surrender value of life insurance	281	N/A	5.83%
Deferred compensation	195	N/A	4.04%
Total investments	<u>\$ 4,825</u>		<u>100.00%</u>

Interest rate risk: The component units do not have policies limiting investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

Credit risk: The investments in STAR Ohio are rated AAAM by Standard & Poor's. The component units do not place a limit on the amount that may be invested in any one issuer.

Custodial credit risk: For an investment, the custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the component unit will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. In order to mitigate custodial risk, the component units purchase their investments only through an approved broker/dealer or institution.

C. Reconciliation to Statement of Net Assets

The deposits and investments reconcile to the statements of net assets as follows:

(Amounts in 000's)			
	Primary Government	Component Units	Total
Deposits and investments:			
Carrying amount of deposits	\$ 189,374	\$ 4,107	\$ 193,481
Fair value of investments	381,068	4,825	385,893
Interest on investments	183	-	183
Outstanding warrants	(7,314)	-	(7,314)
Total deposits and investments	<u>\$ 563,311</u>	<u>\$ 8,932</u>	<u>\$ 572,243</u>

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

(Amounts in 000's)			
	Primary Government	Component Units	Total
Per statement of net assets:			
Equity with County Treasurer	\$ 391,437	\$ -	\$ 391,437
Cash and investments in segregated accounts	1,418	8,932	10,350
Restricted cash	1,466	-	1,466
	<u>394,321</u>	<u>8,932</u>	<u>403,253</u>
Per statement of fiduciary net assets:			
Equity with County Treasurer	143,980	-	143,980
Cash and investments in segregated accounts	25,010	-	25,010
	<u>168,990</u>	<u>-</u>	<u>168,990</u>
Total per statement of net assets	<u>\$ 563,311</u>	<u>\$ 8,932</u>	<u>\$ 572,243</u>

Note 5 – Interfund Balances and Transfers

Interfund balances consisted of the following:

A. Due to/from Other Funds

These balances resulted primarily from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payment is made. Some balances are a result of short term loans.

(Amounts in 000's)		
Receivable Fund	Payable Fund	Amount
General	Children Services Board	\$ 168
	Public Assistance	185
	Nonmajor governmental funds	262
	Enterprise funds	15
		<u>630</u>
Children Services Board	Public Assistance	224
	Nonmajor governmental funds	34
		<u>258</u>
Public Assistance	Board of MR&DD	17
		<u>17</u>
Nonmajor governmental funds	General Fund	58
	Public Assistance	130
	Nonmajor governmental funds	141
		<u>329</u>
Internal service funds	General Fund	1,389
	Children Services Board	401
	Public Assistance	365
	ADAMH Board	24
	Nonmajor governmental funds	548
	Enterprise Funds	12
		<u>2,739</u>
		<u>\$ 3,973</u>

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

B. Advances to/from Other Funds

The following loans between funds are long-term in nature and are classified as advances. The advances at December 31, 2005 are as follows:

(Amounts in 000's)		
Receivable Fund	Payable Fund	Amount
General	Nonmajor governmental funds	\$ 291

C. Interfund Transfers

Transfers are used to move revenues from the fund that collects them in accordance with statute or budget to the fund that is required to expend them in accordance with statute or budget; to segregate money for anticipated capital projects; to provide resources for current operations; or to service debt.

(Amounts in 000's)				
Transfer in				
Transfer out	General	Public Assistance	Nonmajor Governmental Funds	Total
General	\$ -	\$ 7,159	\$ 30,318	\$ 37,477
Public Assistance	-	-	1,793	1,793
ADAMH Board	-	-	50	50
Nonmajor governmental funds	4,820	-	617	5,437
Enterprise funds	31	-	-	31
	<u>\$ 4,851</u>	<u>\$ 7,159</u>	<u>\$ 32,778</u>	<u>\$ 44,788</u>

D. Due to Component Unit/from Primary Government

The following balance resulted from transactions with a component unit:

(Amounts in 000's)		
Receivable Component Unit	Payable Fund	Amount
ARC Industries	Board of MR&DD	\$ 432

Note 6 – Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the County. Property tax revenue received during 2005 for real and public utility property taxes represents collection of 2004 taxes. Property tax payments received during 2005 for tangible personal property (other than public utility property) is for 2005 taxes.

2005 real property taxes are levied after October 1, 2005, on the assessed value as of January 1, 2005, the lien date. Assessed values are established by state law at 35 percent of appraised market value. 2004 real property taxes are collected in and intended to finance 2005. The total assessed value upon which the 2005 real estate tax collection was based was \$22.266 billion. The full tax rate applied to real property for all County units was \$17.79 per \$1,000 of assessed valuation.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Tangible personal property is that property used in business and is assessed at 25 percent on everything except inventories. The inventory assessment percentage for tax year 2005 is 23 percent. Tangible personal property taxes are levied on January 1st of the current year. The total value upon which the 2005 tax collection was assessed was \$1.565 billion.

Public utility taxes are assessed not only on land and improvements, but also on tangible personal property at true value, which is a percentage of cost. Percentages vary according to the type of utility. The total assessed value upon which the 2005 tax collection was based was \$818 million.

The Treasurer bills and collects property taxes on behalf of all taxing districts within the County. The Auditor periodically remits to the taxing districts their portion of the taxes collected. Collection of the taxes and remittance to the taxing districts are accounted for in various County agency funds.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20th; if paid semi-annually, the first payment is due January 20th with the remainder to be paid by June 20th. Real property owners' tax bills are reduced by homestead and rollback deductions, when applicable. The amount of these reductions is reimbursed to the County by the State.

Tangible personal property taxes are due semi-annually with the first payment due April 30th and the remainder to be paid by September 20th. Due dates are normally extended an additional 30 days. By state law, the first \$10,000 of taxable value for each business is exempt from taxation. The resulting tangible personal property exemption is also reimbursed to the County by the State.

"Property taxes receivable" represents delinquent real and tangible personal property and public utility taxes outstanding as of the last settlement (net of allowances for uncollectible amounts) and real property and public utility taxes that were measurable at year-end and for which there is an enforceable legal claim. In the fund financial statements, the majority of the receivable is offset by unearned revenue since the taxes were not levied to finance 2005 operations. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is unearned.

The County uses actual billings and estimates based on the tax rate multiplied by property value to estimate taxes receivable. The eventual collection of substantially all real property and public utility taxes (both current and delinquent) is reasonably assured due to the County's ability to force foreclosure of the properties on which the taxes are levied. For tangible personal property taxes (both current and delinquent), a determination of the percentage deemed uncollectible was made based on past experience. This percentage was applied against the gross taxes receivable to yield the estimated net realizable value of these resources.

Note 7 –Notes Receivable

In 1997, the County and the Solid Waste Authority of Central Ohio (SWACO) entered into a repayment agreement under which SWACO is obligated to pay the debt service for bonds issued to finance expansion at the solid waste facility. To secure SWACO's obligation, contract documents were executed and delivered to the County whereby SWACO granted the County a lien on the solid waste facilities, a security interest in its fixtures and personal property, and assignment of permits and licenses necessary for operation of the solid waste facilities. At December 31, 2005, the County recorded \$14,130,000 as a note receivable for the landfill expansion bonds with a similar reservation of fund balance in the Debt Service fund. See note 10 for description of the related general obligation bonds.

On December 12, 2002, the County, the City of Columbus and the Columbus Municipal Airport Authority entered into the Port Authority Consolidations and Joinder Agreement with an effective date of January 1, 2003. As part of that agreement, the County assumed certain debt related to the former Rickenbacker Port Authority (RPA), with the stipulation that the debt will be serviced with revenues from the newly

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

created Columbus Regional Airport Authority (CRAA). At December 31, 2005, the County recorded \$671,000 as a note receivable for the RPA Ohio Public Works Commission loan, with a similar reservation of fund balance in the General Fund, and \$820,000 as a note receivable for the Rickenbacker Port Authority facilities bonds, with a similar reservation of fund balance in the Debt Service fund. See note 10 for description of the related general obligation bonds and OPWC loan.

The following is a summary of the future payments to be received by the County for the notes:

(Amounts in 000's)				
	SWACO	CRAA		Total
		OPWC Loan	Bonds	
2006	\$ 1,596	\$ 74	\$ 886	\$ 2,556
2007	1,597	75	-	1,672
2008	1,561	74	-	1,635
2009	1,569	75	-	1,644
2010	1,579	74	-	1,653
2011 to 2015	8,018	299	-	8,317
2016-2020	3,259	-	-	3,259
Total payments to be received	19,179	671	886	20,736
Less: Amount representing interest	(5,049)	-	(66)	(5,115)
Notes receivable	<u>\$ 14,130</u>	<u>\$ 671</u>	<u>\$ 820</u>	<u>\$ 15,621</u>

Note 8 – Capital Leases - Lessor Disclosure

The County acts as lessor in two outstanding direct financing lease agreements. The facilities under lease, the lessees and debt principal outstanding at December 31, 2005, include the following:

(Amounts in 000's)		
Facility	Lessee	Principal Outstanding
Fairgrounds Project	Franklin County Agricultural Society	\$ 198
Maryhaven Facility	Maryhaven, Inc.	3,160
		<u>\$ 3,358</u>

Under the agreements, the lessees are required to pay the cost of maintaining and operating the leased facility. Lease payments from Maryhaven are substantially equal to the debt service to be paid by the County for retirement of the bonds associated with those facilities. The payments from Maryhaven are recognized as revenue in the Debt Service fund prior to payment of interest and principal on bonds.

The County has recognized the future minimum lease payments, less unearned interest income to be received for capitalized leases, as "Leases receivable" in the General and Debt Service funds. That portion not available at year-end is classified as "Deferred revenue."

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

A summary of the future minimum lease payments to be received by the County, and the components of the net investment in direct financing leases at December 31, 2005, follows:

(Amounts in 000's)			
	Fairgrounds	Maryhaven	
	Project	Facility	Total
2006	\$ 50	\$ 361	\$ 411
2007	50	359	409
2008	50	349	399
2009	50	353	403
2010	50	356	406
2011 to 2015	50	1,801	1,851
2016-2020	-	700	700
Minimum lease payments	300	4,279	4,579
Unearned interest income	(102)	(1,119)	(1,221)
Net investment in leases	<u>\$ 198</u>	<u>\$ 3,160</u>	<u>\$ 3,358</u>

Note 9 - Capital Assets

Capital asset activity of the primary government for the year ended December 31, 2005, is shown below:

Capital Assets				
Primary Government - Governmental Activities				
(Amounts in 000's)				
	Balance 12/31/2004	Additions	Reductions	Balance 12/31/2005
Capital assets, not being depreciated:				
Land	\$ 26,258	\$ 12,480	\$ (74)	\$ 38,664
Construction in progress	20,276	11,727	(17,960)	14,043
Total nondepreciable capital assets	<u>46,534</u>	<u>24,207</u>	<u>(18,034)</u>	<u>52,707</u>
Capital assets being depreciated:				
Buildings and improvements	287,178	15,280	(4,921)	297,537
Infrastructure	206,997	5,400	-	212,397
Machinery and equipment	70,204	6,536	(18,164)	58,576
	<u>564,379</u>	<u>27,216</u>	<u>(23,085)</u>	<u>568,510</u>
Less accumulated depreciation for:				
Buildings and improvements	(75,760)	(7,541)	2,620	(80,681)
Infrastructure	(69,216)	(3,644)	-	(72,860)
Machinery and equipment	(47,714)	(6,267)	17,187	(36,794)
	<u>(192,690)</u>	<u>(17,452)</u>	<u>19,807</u>	<u>(190,335)</u>
Total depreciable capital assets, net	<u>371,689</u>	<u>9,764</u>	<u>(3,278)</u>	<u>378,175</u>
Total capital assets, net	<u>\$ 418,223</u>	<u>\$ 33,971</u>	<u>\$ (21,312)</u>	<u>\$ 430,882</u>

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Capital Assets				
Primary Government – Business-type Activities				
(Amounts in 000's)				
	Balance 12/31/2004	Additions	Reductions	Balance 12/31/2005
Capital assets, not being depreciated:				
Land	\$ 259	\$ -	\$ -	\$ 259
Construction in progress	5,186	207	(3,930)	1,463
Total nondepreciable capital assets	5,445	207	(3,930)	1,722
Capital assets, being depreciated:				
Buildings and improvements	13,937	-	-	13,937
Infrastructure	12,532	8,143	-	20,675
Machinery and equipment	653	103	-	756
	27,122	8,246	-	35,368
Less accumulated depreciation for:				
Buildings and improvements	(4,017)	(300)	-	(4,317)
Infrastructure	(4,213)	(224)	-	(4,437)
Machinery and equipment	(394)	(79)	-	(473)
	(8,624)	(603)	-	(9,227)
Total depreciable capital assets, net	18,498	7,643	-	26,141
Total capital assets, net	\$ 23,943	\$ 7,850	\$ (3,930)	\$ 27,863

Depreciation expense was charged to functional programs of the primary government as follows:

(Amounts in 000's)	
Governmental Activities:	
General government	\$ 5,379
Judicial	608
Public safety	3,607
Human services	869
Health	2,263
Public works	4,492
Conservation and recreation	227
Community development	7
	<u>\$ 17,452</u>
Business-type Activities:	
Water and sewer	\$ 289
Parking facilities	314
	<u>\$ 603</u>

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Capital asset activity of the component units for the year ended December 31, 2005, was as follows:

	(Amounts in 000's)			
	Balance 12/31/2004	Additions	Reductions	Balance 12/31/2005
Capital assets, being depreciated:				
Buildings and improvements	\$ 7,076	\$ 15	\$ -	\$ 7,091
Machinery and equipment	5,125	139	(139)	5,125
	<u>12,201</u>	<u>154</u>	<u>(139)</u>	<u>12,216</u>
Less accumulated depreciation for:				
Buildings and improvements	(4,433)	(87)	-	(4,520)
Machinery and equipment	(4,736)	(492)	139	(5,089)
	<u>(9,169)</u>	<u>(579)</u>	<u>139</u>	<u>(9,609)</u>
Total depreciable capital assets, net	<u>\$ 3,032</u>	<u>\$ (425)</u>	<u>\$ -</u>	<u>\$ 2,607</u>

Depreciation expense reported by component units was as follows:

(Amounts in 000's)	
ARC Industries	\$ 119
Veterans Memorial Hall	46
Stadium and Team	414
	<u>\$ 579</u>

Note 10 – Long-term Liabilities

A. Long-term Debt Summary The original issue date, final maturity date, interest rate and original issuance amount for each of the County's long-term debt obligations currently outstanding follows:

Long-term Debt Summary – Governmental Activities				
	(Amounts in 000's)			
	Original Issue Date	Final Maturity	Interest Rate	Original Issue Amount
General obligation bonds:				
Rickenbacker Port Authority Project	12/01/1985	12/01/2006	8.00%	\$ 16,400
Mental Health Building	07/01/1986	12/01/2010	7.38%	795
Jail Renovation ^{1,3}	08/01/1996	12/01/2016	4.50 to 6.00%	2,730
Veterans Memorial Improvement ^{1,3}	08/01/1996	12/01/2016	4.50 to 6.00%	3,090
Solid Waste Facility ^{1,3}	07/15/1997	12/01/2017	4.30 to 5.50%	7,390
Series 1993 Refunding ^{1, 2}	04/15/1993	12/01/2020	2.70 to 5.55%	51,795
Series 2003 Refunding ¹	10/30/2003	12/01/2013	2.30 to 5.00%	53,985
Road Improvements ¹	10/26/2005	12/01/2015	3.25 to 5.00%	5,000
Children Services Building ¹	10/26/2005	12/01/2025	3.25 to 5.00%	10,895
Series 2005 Refunding ¹	10/26/2005	12/01/2017	3.25 to 5.00%	22,320
				<u>174,400</u>

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Long-term Debt Summary – Governmental Activities				
(Amounts in 000's)				
	Original Issue Date	Final Maturity	Interest Rate	Original Issue Amount
Bonds supported by lease revenues:				
Maryhaven Facility ^{1,3}	07/15/1997	12/01/2017	4.30 to 5.50%	\$ 1,665
Series 2005 Refunding ¹	10/26/2005	12/01/2017	3.25 to 5.00%	2,765
				<u>4,430</u>
Notes:				
Rickenbacker Industrial Park	04/02/1995	01/01/2015	0.00%	1,489
Sunbury Road Improvements	03/12/2002	01/01/2007	0.00%	700
Dublin Rd Improvements I	11/08/2002	07/01/2007	0.00%	1,548
Dublin Rd Improvements II	11/08/2002	07/01/2007	0.00%	970
Alton & Darby Creek Road Improvements	10/08/2003	07/01/2008	0.00%	750
Cleveland Ave. Improvements	07/16/2003	07/01/2008	0.00%	147
				<u>5,604</u>
				<u>\$ 10,034</u>

¹ Interest rates vary over the term of the bond per a set schedule. This is not a demand bond.

² Represents only the portion not refunded in the 2003 refunding.

³ Represents only the portion not refunded in the 2005 refunding.

Long-term Debt Summary – Business-type Activities				
(Amounts in 000's)				
	Original Issue Date	Final Maturity	Interest Rate	Original Issue Amount
Bonds:				
Parking Garage Addition	11/01/1982	12/01/2008	10.00%	\$ 6,500
Series 2003 Refunding				
JDC Parking Garage portion ¹	10/30/2003	12/01/2013	2.30 to 5.00%	5,835
				<u>12,335</u>
Notes:				
Hamilton Meadows Water	04/28/1988	07/01/2013	7.00%	194
Ridgewood Estates and Oakhurst Knolls Sewer	04/28/1988	07/01/2013	7.00%	1,478
Forest Ridge Sewer	09/02/1988	07/01/2013	7.00%	186
Village Park and Young Estates Sewer	03/26/1992	07/01/2017	7.00%	551
Village Park and Young Estates Water	03/26/1992	07/01/2017	7.00%	274
Lincoln Village and New Rome Water	02/12/1995	07/01/2015	3.50%	835
Emmit/Mix Avenue Sewer	07/01/1997	07/01/2021	3.00%	482
Darbydale Wastewater	02/18/2005	12/01/2025	0.00%	1,883
Darbydale Sewer	08/10/2005	07/01/2025	3.98%	1,200
				<u>7,083</u>
				<u>\$ 19,418</u>

¹ Interest rates vary over the term of the bond per a set schedule. This is not a demand bond.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

B. Changes in Long-term Liabilities

Primary Government Changes in the primary government's long-term obligations during the year, including new issuances, consisted of the following:

Changes in Long-term Liabilities – Governmental Activities					
(Amounts in 000's)					
	Outstanding 12/31/2004	Additions ¹	Reductions ²	Outstanding 12/31/2005	Due in One Year
General obligation bonds:					
Rickenbacker Port Authority	\$ 1,640	\$ -	\$ (820)	\$ 820	\$ 820
Mental Health Building	210	-	(35)	175	35
Jail Renovation	5,445	-	(5,100)	345	345
Veterans Memorial Improvement	6,175	-	(5,780)	395	395
Solid Waste Facility	15,255	-	(13,445)	1,810	880
Series 1993 Refunding	41,880	-	-	41,880	-
Series 2003 Refunding	49,655	-	(4,980)	44,675	5,215
Road Improvements	-	5,000	-	5,000	410
Children Services Building	-	10,895	-	10,895	345
Series 2005 Refunding	-	22,320	-	22,320	35
	<u>120,260</u>	<u>38,215</u>	<u>(30,160)</u>	<u>128,315</u>	<u>8,480</u>
Bonds supported by lease revenues:					
Hall of Justice Addition	870	-	(870)	-	-
Maryhaven Facility	3,430	-	(3,020)	410	200
Series 2005 Refunding	-	2,765	-	2,765	-
	<u>4,300</u>	<u>2,765</u>	<u>(3,890)</u>	<u>3,175</u>	<u>200</u>
Unamortized bond premiums	3,261	2,553	(369)	5,445	-
Unamortized deferred charges	(947)	(1,205)	107	(2,045)	-
	<u>2,314</u>	<u>1,348</u>	<u>(262)</u>	<u>3,400</u>	<u>-</u>
Notes:					
Rickenbacker Industrial Park	745	-	(74)	671	74
Sunbury Road Improvements	280	-	(140)	140	140
Dublin Road Improvements I	773	-	(310)	463	310
Dublin Road Improvements II	485	-	(194)	291	194
Alton & Darby Creek Road Improvements	525	-	(150)	375	150
Cleveland Ave. Improvements	104	-	(30)	74	30
	<u>2,912</u>	<u>-</u>	<u>(898)</u>	<u>2,014</u>	<u>898</u>
Other long-term obligations:					
Compensated absences	31,216	3,459	(3,433)	31,242	2,699
Workers compensation	10,370	1,096	(2,454)	9,012	2,326
Capital leases ³	1,044	347	(655)	736	291
	<u>42,630</u>	<u>4,902</u>	<u>(6,542)</u>	<u>40,990</u>	<u>5,316</u>
	<u>\$ 172,416</u>	<u>\$ 47,230</u>	<u>\$ (41,752)</u>	<u>\$ 177,894</u>	<u>\$ 14,894</u>

¹ Additions include new issues and refundings.

² Reductions include maturities and bonds refunded.

³ Reductions include early extinguishments of capital leases.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Changes in Long-term Liabilities – Business-type Activities					
(Amounts in 000's)					
	Outstanding 12/31/2004	Additions	Reductions	Outstanding 12/31/2005	Due in One Year
Bonds:					
Parking Garage Addition	\$ 1,040	\$ -	\$ (260)	\$ 780	\$ 260
Series 2003 Refunding	5,400	-	(475)	4,925	495
	<u>6,440</u>	<u>-</u>	<u>(735)</u>	<u>5,705</u>	<u>755</u>
Unamortized bond premiums	341	-	(50)	291	-
Unamortized deferred charges	(103)	-	15	(88)	-
	<u>238</u>	<u>-</u>	<u>(35)</u>	<u>203</u>	<u>-</u>
	<u>6,678</u>	<u>-</u>	<u>(770)</u>	<u>5,908</u>	<u>755</u>
Notes:					
Hamilton Meadows Water	106	-	(9)	97	10
Ridgewood Estates and					
Oakhurst Knolls Sewer	834	-	(72)	762	78
Forest Ridge Sewer	106	-	(9)	97	10
Village Park and					
Young Estates Sewer	388	-	(20)	368	22
Village Park and					
Young Estates Water	193	-	(10)	183	11
Lincoln Village and					
New Rome Water	509	-	(41)	468	42
Emmit/Mix Avenue Sewer	417	-	(20)	397	20
Darbydale Wastewater	-	1,883	-	1,883	94
Darbydale Sewer	-	1,200	(20)	1,180	41
	<u>2,553</u>	<u>3,083</u>	<u>(201)</u>	<u>5,435</u>	<u>328</u>
Compensated absences	121	10	(1)	130	16
	<u>\$ 9,352</u>	<u>\$ 3,093</u>	<u>\$ (972)</u>	<u>\$ 11,473</u>	<u>\$ 1,099</u>

Component Units The component units have no debt. The long-term liabilities relate solely to compensated absences. At December 31, 2005, total long-term liabilities were \$260,000.

C. Advance Refunding

In October 2005, the County issued \$25,085,000 of general obligation bonds, Series 2005 with interest rates ranging from 3.25% to 5.0% (maturing from December 2006 through December 2017) to advance refund a portion of the County's general obligation bonds. A premium in the amount of \$1,946,000 was received on the refunding bonds. The transaction resulted in an economic gain of \$1,237,000 and a reduction of \$1,451,000 in future debt payments.

The proceeds of the refunding bonds were deposited in an irrevocable escrow pursuant to an escrow trust agreement to be used to defease the "refunded bonds". The funds on deposit in the escrow are to be sufficient, when combined with the investment earnings on such, to pay the debt service on the refunded bonds according to the plan of the refunding. The following bonds, all of which were outstanding at December 31, 2005, were defeased and accordingly do not show as a liability in the financial statements:

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

(Amounts in 000's)	
Issue:	Amount Defeased
Jail Renovation	\$ 4,770
Veterans Memorial Improvement	5,410
Solid Waste Authority	12,610
Maryhaven Facility	2,835
	<u>\$ 25,625</u>

D. Future Debt Service Requirements

The following is a summary of the County's future annual debt service requirements:

Governmental Activities (Amounts in 000's)							
	General Obligation Bonds		Lease Revenue Bonds		Notes	Total	
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2006	\$ 8,480	\$ 6,147	\$ 200	\$ 161	\$ 898	\$ 9,578	\$ 6,308
2007	8,720	5,688	210	150	506	9,436	5,838
2008	8,790	5,336	210	138	164	9,164	5,474
2009	8,775	4,982	225	128	74	9,074	5,110
2010	9,170	4,601	240	117	74	9,484	4,718
2011-2015	41,970	17,148	1,410	389	298	43,678	17,537
2016-2020	38,710	6,732	680	51	-	39,390	6,783
2021-2025	3,700	482	-	-	-	3,700	482
	<u>\$ 128,315</u>	<u>\$ 51,116</u>	<u>\$ 3,175</u>	<u>\$ 1,134</u>	<u>\$ 2,014</u>	<u>\$ 133,504</u>	<u>\$ 52,250</u>

Business-type Activities (Amounts in 000's)						
	Bonds		Notes		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2006	\$ 755	\$ 280	\$ 328	\$ 180	\$ 1,083	\$ 460
2007	1,070	225	342	167	1,412	392
2008	1,110	167	357	154	1,467	321
2009	875	109	374	138	1,249	247
2010	925	74	390	123	1,315	197
2011-2015	970	37	1,755	366	2,725	403
2016-2020	-	-	1,045	133	1,045	133
2021-2025	-	-	844	37	844	37
	<u>\$ 5,705</u>	<u>\$ 892</u>	<u>\$ 5,435</u>	<u>\$ 1,298</u>	<u>\$ 11,140</u>	<u>\$ 2,190</u>

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

E. Funds Used to Retire Long-term Liabilities

All general obligation bonds are supported by the full faith and credit of the County. General obligation bonds and notes will be paid with \$115,379,000 from taxes, and the remainder from lease revenues (note 8), user charges and payments received on the SWACO and CRAA notes, including portions of the Series 2005 Refunding (note 7). Compensated absences liabilities will be paid from the fund from which the employee's salary is paid. Capital lease obligations will be paid from the fund that supports the department using the underlying asset.

F. Debt Limitations

The Ohio Revised Code provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors should not exceed one percent of the total assessed valuation of the County. The ORC further provides that the total voted and unvoted net debt of the County less the same exempt debt should not exceed a sum equal to three percent of the first \$100,000,000 of the assessed valuation, plus one and one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000, plus two and one-half percent of such valuation in excess of \$300,000,000. The effects of the debt limitations at December 31, 2005, are an overall debt margin of \$612,527,000 and an unvoted debt margin of \$191,506,000.

G. Prior Period Defeasance

In 1993, the County defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. At December 31, 2005, \$88,760,000 remained outstanding on the defeased bonds.

H. Optional Redemption

Certain bonds issued by the County are subject to redemption at the County's option. When partial redemption of any of the following bonds is authorized, the bond registrar will select bonds or portions thereof by lot within a maturity in such manner as the bond registrar may determine, provided, however, that the portion of any bond so selected will be in the amount of \$5,000 or an integral multiple thereof. In each case, accrued interest will be paid to the date fixed for redemption. The following schedule summarizes the bond issues subject to optional redemption, the relevant maturity dates, the redemption dates and the redemption rates:

Bonds	Maturity Date	Redemption Dates (Dates Inclusive)	Redemption Prices
Series 1993 Refunding	after 12/01/2008	12/01/2008 – 11/30/2009	102%
		12/01/2009 – 11/30/2010	101%
		12/01/2010 and thereafter	100%
Children Services Building	after 12/01/2015	12/01/2015 and thereafter	100%
Series 2005 Refunding	after 12/01/2015	12/01/2015 and thereafter	100%

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Note 11 – Capital Leases - Lessee Disclosure

The County leases various equipment through lease arrangements. Many of the lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Payments are made from the funds that purchase the assets. The assets acquired through capital leases are as follows:

(Amounts in 000's)	
	Governmental Activities
Machinery and equipment	\$ 1,787
Less accumulated depreciation	(765)
	<u>\$ 1,022</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2005, were as follows:

(Amounts in 000's)	
	Governmental Activities
2006	\$ 405
2007	339
2008	167
2009	70
Total minimum lease payments	981
Less amount representing interest	(245)
Present value of minimum lease payments	<u>\$ 736</u>

Note 12 – Operating Leases

The County has entered into various contracts and leases for equipment, land and office space. The following table represents the noncancellable rental liabilities:

(Amounts in 000's)	
	Rental
2006	\$ 3,298
2007	1,711
2008	672
2009	677
2010	250
2011 – 2015	1,150
2016 – 2020	531
2021 – 2025	531
2026 – 2028	319
	<u>\$ 9,139</u>

The County does not have operating leases or contracts after 2028. During 2005, the County incurred expenditures of \$5,664,000 for noncancellable operating leases.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Note 13 – Contingencies and Commitments

Contingent Liabilities The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. At December 31, 2005, the audits of certain programs had not been completed. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial.

Several claims and lawsuits are pending against the County. The Prosecuting Attorney has used his best judgment as legal counsel for the County to estimate the possible liability that the County could incur. No material liability is expected to arise from the current pending lawsuits.

By resolution, the Commissioners have designated amounts in the fund balance of the General Fund to be used for expenditures in future years. \$11,250,000 has been set aside for "rainy day" purposes.

Commitments The County had several outstanding capital projects as of December 31, 2005. These projects are evidenced by contractual commitments with contractors and include:

(Amounts in 000's)		
Project	Spent to Date	Commitment Remaining
Stelzer Road widening	\$ 1,134	\$ 7,343
Scioto & Darby Creek Road widening	1,381	3,398
Hamilton & Beecher Road widening	4,800	2,874
Leonard Park sewer improvement	-	2,844
Avery & Hayden Run Road widening	2,852	670
	<u>\$ 10,167</u>	<u>\$ 17,129</u>

The Commissioners have entered into a long-term commitment whereby the County has agreed to contribute approximately \$4.34 million to the Columbus Regional Airport Authority annually through 2012.

The Commissioners have entered into an agreement for the acquisition of voting machines and related services in the amount of \$13,173,000, with \$12,305,000 of the funding to be provided through federal and state grants.

Note 14 – Risk Management

The County is exposed to various risks of loss related to torts and general liability; theft of, damage to and destruction of assets; natural disasters; errors and omissions; health care claims for employees and their eligible dependents; and injuries to employees. Insurance policies are procured for commercial crime, flood, buildings and contents, equipment, boilers and machinery. In addition, a Commercial Crime and Public Employees Dishonesty policy is in effect for certain agencies that deal with large amounts of cash, and a Faithful Performance Blanket bond is in place for all County employees. Medical malpractice insurance is purchased for claims involving inmate medical care. Settled claims have not exceeded commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year. The County has elected to retain risk for losses related to torts, general and excess liability, automobile casualty and employee health care claims rather than insuring those risks through a third-party. The County purchases workers' compensation insurance from the State of Ohio to cover employees and auxiliary staff.

A. Self-insurance for General Liability

The County's General Fund provides unlimited coverage for court judgments resulting from tort and general liability claims of County officials and employees. The County does not use actuaries to determine possible claims liability, nor are any interfund premiums charged. However, the County incorporates

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

nonincremental claims adjustments when setting the annual budget amount for claims, judgments and settlements. The Commissioners appropriated \$200,000 within the General Fund in 2005 to satisfy court-ordered judgments, self-insured claims or other settlements. The actual claims paid during 2005 totaled \$49,000. \$8,397,000 of the General Fund's fund balance has been designated for unasserted claims.

B. Self-insurance for Health Benefits

The County provides multiple health care benefit plans that cover approximately 4,700 County employees. Approximately 1,300 employees of other political subdivisions are also in the County's insurance program. Coverage is extended to eligible dependents. During 2005, the benefit program included a self-insured preferred provider organization (PPO) medical plan administered by United Healthcare (UHC). UHC charged fees for administrative services only (ASO) to process claims for this self-insured benefit plan. CatalystRX administered a three-tier prescription drug program. Mt. Carmel Behavioral Health Care, Inc. administered the self-insured behavioral health and chemical dependency program with no out-of-network benefit, as well as the Employee Assistance program which is fully insured. The CompDent Corporation and Spectera provided ASO services for the County's self-insured dental and vision plans respectively. Employer-paid life insurance coverage was furnished to full-time County employees by the U.S. Life Insurance Company in amounts that included \$10,000 each for a basic policy and accidental death and dismemberment.

An estimate of amounts to be paid for claims incurred but not reported (IBNR) as of year-end has been developed by the County in conjunction with an actuary, based on appropriate standards of practice promulgated by the Actuarial Standards Board. In particular, Actuarial Standard of Practice No. 5 was used in developing the estimate. All health care costs are allocated to the fund that pays the salary of the enrolled employee. These payments are accounted for as expenditures in the paying funds and as fees and charges for services in the Employee Benefits internal service fund from which bills are paid. At December 31, 2005, accounts payable balances included \$2,675,000 of reported, unpaid County claims and \$4,485,000 as an estimate for IBNR.

The Comprehensive Omnibus Budget Reconciliation Act of 1986 requires the County to offer terminated or retired employees continued participation in the County's employee health care benefits program, provided that the employees pay the rate established by the plan administrator.

C. Workers' Compensation

The County reimburses the Ohio Bureau of Workers' Compensation (the Bureau) for the cost of injured workers' claims. All County agencies participate in the program and make payments for prior and current year claims. Because the plan is retrospectively rated, payments will be made in future periods for injuries sustained during 2005 and prior years. At December 31, 2005, this long-term liability was estimated to be \$9,012,000, a net decrease of \$1,358,000 from the estimate as of December 31, 2004. The County has designated \$10,353,000 of the General Fund's fund balance for these future payments.

D. Summary

When it is probable that a loss has occurred and the amount of the loss can be reasonably estimated, the liability is reported in the fund. Liabilities include an amount for IBNR claims. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs) and other economic and social factors. The estimate of the claims liabilities includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims.

Changes in claims liabilities for the various plans during 2004 and 2005 were as follows:

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

	(Amounts in 000's)			
	General Liability	Health Benefits	Workers' Compensation	Total
Unpaid claims at 01/01/04	\$ -	\$ 9,521	\$ 9,948	\$ 19,469
2004 net change in				
claims estimate	-	(2,619)	-	(2,619)
2004 incurred claims & IBNR	65	42,998	2,984	46,047
2004 paid claims	(65)	(45,531)	(2,562)	(48,158)
Unpaid claims at 01/01/05	-	4,369	10,370	14,739
2005 net change in				
claims estimate	-	743	-	743
2005 incurred claims & IBNR	49	57,817	1,096	58,962
2005 paid claims	(49)	(55,769)	(2,454)	(58,272)
Unpaid claims at 12/31/05	<u>\$ -</u>	<u>\$ 7,160</u>	<u>\$ 9,012</u>	<u>\$ 16,172</u>

The County analyzes all outstanding and potential claims that have arisen or could arise due to the occurrence of a loss contingency on or before December 31, 2005. Those claims that are judged to have a high probability of requiring a settlement and for which the amount required to settle the claim is reasonably estimable are shown as liabilities. Those claims for which the liability cannot be reasonably estimated or which are judged not to have a high probability of settlement are not displayed as liabilities on the balance sheet, but are discussed in note 13.

Note 15 – Defined Benefit Retirement Plans

A. Ohio Public Employees Retirement System

OPERS is a cost-sharing, multiple-employer defined benefit pension plan administered by the Public Employees Retirement Board. The authority to establish and amend benefits is provided by state statute per ORC Chapter 145. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

OPERS administers three separate pension plans as described below:

- Traditional Pension (TP) Plan – a cost-sharing, multiple-employer defined benefit pension plan.
- Member-Directed (MD) Plan – a defined contribution plan in which the member invests both member and employer contributions. Employer contributions vest over five years at 20 percent per year. Members accumulate retirement assets equal to the value of member and vested employer contributions, plus any investment earnings thereon.
- Combined (CO) Plan – a cost-sharing, multiple-employer defined benefit pension plan. The employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan benefit. Member contributions, the investment of which is self-directed by the member, accumulate retirement assets in a manner similar to the MD Plan. OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the TP and CO Plans. Members of the MD Plan do not qualify for ancillary benefits. Contributions are authorized by state statute. For 2005, member and employer contribution rates were consistent across all three plans (TP, MD and CO). Separate divisions for law enforcement and public safety exist only within the TP Plan. The 2005 contribution rate for members, other than those engaged in law enforcement and public safety, was 8.50 percent of their annual covered salary. The law enforcement classification consists of sheriffs, deputy sheriffs and township police with an employee contribution rate of 10.10 percent for 2005. The

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

County's employer contribution rate for 2005 was 13.55 percent of covered payroll, except for law enforcement where the rate was 16.70 percent.

The County's required contributions to OPERS for the years ended December 31, 2005, 2004 and 2003 were as follows:

	(Amounts in 000's)		
	2005	2004	2003
Employer share	\$ 34,351	\$ 34,480	\$ 33,795
Employee share, paid by employer	2,988	3,048	2,995
Total contributions	<u>\$ 37,339</u>	<u>\$ 37,528</u>	<u>\$ 36,790</u>

The full amount has been contributed for 2004 and 2003. For 2005, 75.61 percent has been contributed with the remainder reported at December 31, 2005, in the Payroll and Benefit Revolving agency fund. This balance was paid to OPERS in the first quarter of 2006.

B. State Teachers Retirement System of Ohio

The County also contributes to STRS Ohio, a cost-sharing, multiple-employer public employee retirement system administered by the State Teachers Retirement Board. STRS Ohio administers three separate pension plans:

- Defined Benefit (DB) Plan – a cost-sharing, multiple-employer defined benefit pension plan.
- Defined Contribution (DC) Plan – a defined contribution plan in which the member invests all their member contributions and employer contributions equal to 10.50 percent of earned compensation. Members accumulate retirement assets equal to the value of member and vested employer contributions plus any investment earnings thereon. Employer contributions into members' accounts are vested after the first anniversary of the first day of paid service.
- Combined (CO) Plan – a cost-sharing, multiple-employer defined benefit pension plan. The member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment at a reduced level from the DB Plan.

DC and CO Plan members will transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or CO Plan.

STRS Ohio provides retirement, disability and survivor benefits. Benefits are increased annually by 3.00 percent of the original base amount for DB participants. By Ohio law, health care benefits are not guaranteed. Members of the DC Plan do not qualify for ancillary benefits.

The authority to establish benefits is provided by ORC Chapter 3307. STRS Ohio issues a stand-alone financial report. A copy can be obtained by writing to State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771 or by visiting the STRS Ohio Website at www.strsoh.org.

Contribution rates are established by STRS Ohio, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10.00 percent for members and 14.00 percent for employers. Actual contributions during 2005 were made equal to the statutory maximum rates. The County's contributions to STRS Ohio for the years ended December 31, 2005, 2004 and 2003 were approximately \$1,314,000, \$1,266,000 and \$1,257,000, respectively. The full amount has been contributed for 2004 and 2003. For 2005, 96.17 percent has been contributed with the remainder reported at December 31, 2005, in the Payroll and Benefit Revolving agency fund. This balance was paid to STRS Ohio in the first quarter of 2006.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Note 16 – Postemployment Benefits

A. Ohio Public Employees Retirement System

OPERS administers three separate pension plans (see note 15.A.). OPERS provides retirement, disability, survivor and postretirement health care benefits to qualifying members of both the Traditional Pension (TP) and the Combined (CO) Plans. However, health care benefits are not statutorily guaranteed. Members of the Member-Directed Plan do not qualify for ancillary benefits, including postemployment health care coverage.

In order to qualify for post-retirement health care coverage, age and service retirees must have ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and qualified survivor recipients is available. The health care coverage provided by OPERS meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12.

A portion of each employer's contribution to OPERS is set aside for the funding of postretirement health care based on authority granted by state statute. During 2005, the Board allocated 4.00 percent of all employer contributions for member-covered payroll to fund health care.

The OPEB is advance-funded on an actuarially determined basis. The present value is calculated using the entry-age normal actuarial cost method. The difference between assumed and actual experience (actuarial gains and losses) becomes part of the unfunded actuarial accrued liability. Based on OPERS's latest actuarial review, performed as of December 31, 2004 (the latest information available), significant actuarial assumptions include a rate of return on investments of 8.00 percent, active employee base payroll increases of 4.00 percent compounded annually and an increase of between 0.50 percent to 6.30 percent based on additional annual pay increases, with no change in the number of active employees. Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 1.00 percent to 6.00 percent for the next eight years, and at 4.00 percent annually thereafter. For actuarial valuation of the investment portfolio, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25 percent of unrealized market appreciation or depreciation on investment assets.

The number of active contributing participants in the TP and CO Plans totaled 376,109 at December 31, 2005. The County's actual contributions for 2005, that were used to fund OPEB, were approximately \$10,747,000. The actual contribution and actuarially required contribution amounts were the same. \$10.8 billion represents the actuarial value of OPERS's net assets available for OPEB at December 31, 2004. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$29.5 billion and \$18.7 billion, respectively.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, will be effective January 1, 2007. In addition to the HCPP, OPERS has taken additional action in 2005 to improve the solvency of the Health Care Fund by creating a separate investment pool for health care assets. As an additional component of the HCPP, member and employer contribution rates increased as of January 1, 2006, which will allow additional funds to be allocated to the health care plan.

B. State Teachers Retirement System of Ohio

STRS Ohio provides access to health care coverage to retirees who participated in the Defined Benefit or the Combined Plans, and their dependents. Coverage under the current program includes hospitalization, physician fees, prescription drugs and partial reimbursement of monthly Medicare premiums. Pursuant to the ORC, the State Teachers Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health care cost in the form of a monthly premium.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Health care coverage is not statutorily guaranteed. By Ohio law, the cost of coverage paid from STRS Ohio funds shall be included in the employer contribution rate, currently 14.00 percent of covered payroll. The Retirement Board allocates employer contributions to the Health Care Stabilization Fund from which health care benefits are paid. For the fiscal year ended June 30, 2005, the Board allocated employer contributions equal to 1.00 percent of covered payroll to the Health Care Stabilization Fund. For the County, this amount totaled approximately \$94,000 during 2005. The balance in the Health Care Stabilization Fund was \$3.3 billion at June 30, 2005. For the fiscal year ended June 30, 2005, net health care costs paid by STRS Ohio were \$254,780,000. There were 115,395 eligible benefit recipients.

Note 17 – Conduit Debt Obligations

From time to time, the County has issued Hospital, Housing and Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by the financed property and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the facility transfers to the private-sector entity served by the bond issuance. The County is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2005, there were 173 series of bonds outstanding. The aggregate principal amount payable for 162 of these series was \$2.3 billion. The aggregate principal amount payable for 11 series issued prior to January 1, 1994, could not be determined; however, the original issue amounts totaled \$34,635,000.

Note 18 – Component Units

Three discretely presented component units are included within the reporting entity of the County. Condensed financial statements follow:

Condensed Statement of Net Assets				
(Amounts in 000's)				
	ARC Industries	Veterans Memorial Hall	Stadium and Team	Total
Assets:				
Current and other assets	\$ 7,008	\$ 236	\$ 3,631	\$ 10,875
Capital assets, net	269	255	2,083	2,607
Total assets	<u>7,277</u>	<u>491</u>	<u>5,714</u>	<u>13,482</u>
Liabilities:				
Current and				
other liabilities	537	251	623	1,411
Long-term liabilities	-	232	28	260
Total liabilities	<u>537</u>	<u>483</u>	<u>651</u>	<u>1,671</u>
Net assets:				
Invested in capital assets,				
net of related debt	269	255	2,083	2,607
Unrestricted net assets	6,471	(247)	2,980	9,204
Total net assets	<u>\$ 6,740</u>	<u>\$ 8</u>	<u>\$ 5,063</u>	<u>\$ 11,811</u>

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Condensed Statement of Activities (Amounts in 000's)				
	ARC Industries	Veterans Memorial Hall	Stadium and Team	Total
Expenses:	\$ 8,285	\$ 2,296	\$ 4,057	\$ 14,638
Program revenues:				
Charges for services	7,148	2,005	3,700	12,853
Operating grants and contributions	1,340	270	-	1,610
	8,488	2,275	3,700	14,463
Net program revenue (expense)	203	(21)	(357)	(175)
Other general revenues	181	2	361	544
Change in net assets	384	(19)	4	369
Net assets – beginning	6,356	27	5,059	11,442
Net assets – ending	\$ 6,740	\$ 8	\$ 5,063	\$ 11,811

Note 19 – Joint Ventures

Franklin Park Conservatory Joint Recreation District As stated in note 1, the Franklin Park Conservatory Joint Recreation District (the Conservatory District) is a joint venture of the County and the City of Columbus (the City). The arrangement with the Conservatory District possesses all the characteristics pertaining to joint venture classification:

- The Conservatory District resulted from a contractual arrangement (County Resolution 79-90 and City Resolution 109X-90 pursuant to ORC Section 755.14(B);
- It functions as a separate and specific activity from the County and the City;
- It is governed by the County and the City, with neither entity in a position to unilaterally control its financial or operating policies; and
- There is an ongoing financial responsibility on the part of the County and the City, whereby both the County and the City provide annual operating subsidies.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Summary financial data for the Conservatory District for the year ended December 31, 2005, follows:

(Amounts in 000's)	
Assets:	
Cash and investments	\$ 817
Other current assets	1,335
Capital assets, net of accumulated depreciation	8,534
Other noncurrent assets	2,828
Total assets	13,514
Liabilities:	
Current liabilities	6,255
Noncurrent liabilities	1,176
Total liabilities	7,431
Net assets:	
Investment in capital assets, net of related debt	6,699
Restricted net assets	696
Unrestricted net assets	(1,312)
Total net assets	\$ 6,083
Total revenues (including County support of \$415,000)	\$ 6,079
Total expenses	(5,242)
Income before depreciation	837
Depreciation expense	(325)
Capital contributions	393
Increase in net assets	\$ 905

The Conservatory District's restricted net assets at December 31, 2005, are comprised of an expendable endowment of \$532,726 and an investment of \$163,149 at the Columbus Foundation. The Conservatory District has the right to suggest to the Foundation how these moneys are to be expended. Complete financial statements can be obtained from Franklin Park Conservatory Joint Recreation District, 1777 East Broad Street, Columbus, Ohio 43203.

Columbus/Franklin County Affordable Housing Trust Corporation (AHT) In *Audits of State and Local Governmental Units, with Conforming Changes as of May 1, 2001*, both the Financial Accounting Standards Board and the Governmental Accounting Standards Board recognize an organization to be governmental if it has one or more of the following characteristics:

- *"Popular election of officers or appointment (or approval) of a controlling majority of the members of the organization's governing body by officials of one or more state or local governments."* All members of AHT's board are jointly appointed by the County Commissioners and the Mayor.
- *"The potential for unilateral dissolution by a government with the net assets reverting to the government."* In the event of AHT's termination, the contract between the County and AHT calls for assets received from the County or acquired through the use of County funds to revert to the County.
- *"The power to enact and enforce a tax levy."* AHT does not have taxing authority.

AHT has two of the characteristics, and is considered a joint venture of the County and the City. Financial statements may be obtained from AHT at 1260 East Broad Street, Columbus, Ohio 43205.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Summary financial data for AHT for the year ended December 31, 2005, follows:

(Amounts in 000's)	
Assets:	
Cash and cash equivalents	\$ 3,940
Other current assets	88
Capital assets, net of accumulated depreciation	2
Noncurrent assets other than capital	7,030
Total assets	11,060
Liabilities:	
Current liabilities	70
Noncurrent liabilities	18
Total liabilities	88
Net assets:	
Investment in capital assets, net of related debt	2
Restricted net assets	10,059
Unrestricted net assets	911
Total net assets	\$ 10,972
Total revenues (including County support of \$750,000)	\$ 2,293
Total expenses	(687)
Increase in net assets	\$ 1,606

Columbus Regional Airport Authority (CRAA) On December 12, 2002, the County, the City and the Columbus Municipal Airport Authority (CMAA) entered into the Port Authority Consolidations and Joinder Agreement (Agreement) with an effective date of January 1, 2003. The Agreement united the operations of CMAA, created by the City in 1990, and Rickenbacker Port Authority (RPA), created by the County in 1979 and dissolved by the Commissioners via this action. The new entity is named The Columbus Regional Airport Authority (CRAA). CRAA's governing board consists of nine directors: four members appointed by the Commissioners; four appointed by the Mayor; and one member jointly appointed. The Agreement provided for the ultimate transfer of all rights, title and interests in all of RPA's assets and liabilities to CRAA. Through the Agreement, the County assumed certain RPA debt that will be serviced with CRAA revenues. In addition, the County agreed to contribute approximately \$4.34 million per year for ten years to facilitate the consolidated operations.

CRAA is a joint venture of the County and the City. Complete financial statements can be obtained from the Columbus Regional Airport Authority, 4800 International Gateway, Columbus, Ohio 43219.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Summary financial data for CRAA for the year ended December 31, 2005, follows:

(Amounts in 000's)	
Assets:	
Cash and cash equivalents, unrestricted	\$ 8,114
Other current assets, unrestricted	20,560
Cash and cash equivalents, restricted	39,437
Other investments, restricted	36,246
Other current assets, restricted	4,660
Capital assets, net of accumulated depreciation	454,590
Noncurrent investments, unrestricted	25,564
Noncurrent assets other than capital	11,906
Noncurrent investments, restricted	13,319
Total assets	614,396
Liabilities:	
Current liabilities payable from unrestricted assets	18,422
Current liabilities payable from restricted assets	11,100
Noncurrent liabilities	123,712
Total liabilities	153,234
Net assets:	
Investment in capital assets, net of related debt	335,305
Restricted net assets	88,792
Unrestricted net assets	37,065
Total net assets	\$ 461,162
Total revenues and capital contributions	\$ 118,242
(including County support of \$4,338,300)	
Total expenses	(84,398)
Increase in net assets	\$ 33,844

Note 20 – Related Organizations and Other Agreements

Housing of City Prisoners Under the terms of an agreement between the County and the City, the County provides housing and medical treatment to persons incarcerated under City ordinances. For this service, the City has agreed to pay its proportionate share of the jail's costs. An independent accounting firm conducts a cost study to determine the City's share. During 2005, the General Fund realized revenue of \$9,618,000 under this agreement.

Central Ohio Workforce Investment Corporation The Franklin County Department of Job and Family Services (FCDJFS) provides workforce development services for the Central Ohio Workforce Investment Corporation (COWIC) established pursuant to the Workforce Investment Act of 1998. A board of directors separate from FCDJFS heads the COWIC.

Columbus Metropolitan Library The Commissioners are responsible for a majority of the board appointments for the Columbus Metropolitan Library. The County has no further accountability or oversight for the library's operation.

Columbus Metropolitan Housing Authority The County and the City jointly formed the Columbus Metropolitan Housing Authority (CMHA). CMHA is a separate body from the City and the County, with no oversight or accountability by the County for CMHA's management or operations.

FRANKLIN COUNTY, OHIO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2005

Columbus and Franklin County Metropolitan Park District The Columbus and Franklin County Metropolitan Park District (Metro Parks) was organized under ORC Chapter 1545. Metro Parks is a separate political subdivision and is governed by a three-member Board of Park Commissioners, appointed in a non-authoritative manner by the Franklin County Probate Judge. The Board of Park Commissioners adopts the annual budget. Metro Parks' operations are autonomous.

Franklin County Family and Children First Council The operation of the Franklin County Family and Children First Council is controlled by an oversight committee. The chair of the County Commissioners serves on the committee. The Franklin County Educational Service Center is the administrative and fiscal agent for the Council's General Fund monies.

Franklin County Convention Facilities Authority The Commissioners appoint a majority of the board members of the Franklin County Convention Facilities Authority (CFA) but have no further accountability for it. The CFA is a separate and distinct legal entity. Neither the County nor the City is responsible for the operation of CFA or of the Greater Columbus Convention Center (Convention Center).

The CFA issued lease revenue bonds in 1990 to finance the construction of the Convention Center. Several bond issues have been completed since that date through which tax and lease revenue anticipation bonds were used to refund and refinance portions of the original and subsequent issues and to fund an expansion of the facility in 1997. The total amount of these revenue bonds outstanding at December 31, 2005, was \$146.0 million net of premiums and discounts of \$5.1 million, or a gross amount of \$151.1 million.

The bond issues and the facility were made possible through a lease/sub-lease agreement whereby the County and the City lease the facility from CFA and concurrently sub-lease it back to CFA. The lease rent charged by CFA equals the annual debt service amount. The sub-lease rent charged by the County and the City also equals the annual debt service amount, and is expected to be paid from hotel/motel tax revenues. The County, at its discretion and without incurring any penalty or further liability, may cancel the lease by not appropriating funds for the lease payment. The terms of the agreement provide many alternative plans for payment of the debt service in the event that the hotel/motel tax revenues prove insufficient. The County considers it highly unlikely that it will ever be faced with meeting CFA's debt service. The Convention Center Lease special revenue fund records the lease and sub-lease payments made and received by the County.

New Albany Community Authority District Board of Trustees The Commissioners are responsible for a majority of the board appointments for the New Albany Community Authority District Board of Trustees. The County has no further accountability for this organization.

Pinnacle Community Infrastructure Financing Authority Board of Trustees The Commissioners are responsible for a majority of the board appointments for the Pinnacle Community Infrastructure Financing Authority Board of Trustees. The County has no further accountability for this organization.

Note 21 – Subsequent Events

The Board of Commissioners approved the issuance of bond anticipation notes for the purpose of acquiring real property to be used as the site of a new county stadium. The County Treasurer purchased \$11,500,000 in notes on February 15, 2006; the notes mature on January 15, 2007 and bear interest at a rate of 5.00 percent. On March 10, 2006, the County Treasurer purchased \$4,000,000 in notes with the same maturity date, with an interest rate of 5.25 percent. Expenditures totaling \$15,388,000 have been made in 2006 in connection with the purchase of the property and site preparation.

On May 23, 2006, the Board of Commissioners approved a \$4,300,000 contract for owner's representative services to be provided during the planning and construction of a new court building.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

The special revenue funds are used to account for proceeds of specific revenue sources (other than enterprise or major capital projects) that are legally restricted to expenditure for specified purposes. Descriptions of the most significant special revenue funds follow:

Motor Vehicle and Gasoline Tax – This fund accounts for revenue derived from taxes on gasoline and motor vehicle licenses. Expenditures are restricted by state law to road and bridge maintenance and construction.

Senior Services – This fund accounts for the property tax and grants spent for programs and services benefiting senior citizens.

Child Support Enforcement – This fund accounts for the administration of the collection and distribution of voluntary and court-ordered child support payments. Revenue sources include state and county reimbursements for allowable expenditures, a 2% poundage fee on all support moneys collected, and an incentive from the state based upon total collections.

Zoological Park – This fund accounts for the property taxes for the Columbus Zoo.

Homeland Security and Justice Programs – This fund accounts for federal grants related to various homeland security and criminal justice programs.

Real Estate Assessment – This fund accounts for activities related to the appraisal of real property for tax purposes, and periodic county-wide revaluation. Funding is provided through charges to the various political subdivisions during the distribution of their property tax revenue.

Additional special revenue funds are listed below:

- Community and Economic Development
- Convention Center Lease
- Emergency Management Agency
- Community Based Correctional Facility (C.B.C.F.) Operations
- Certificate of Title Administration
- Dog and Kennel
- Domestic and Juvenile Court Grants
- Adult Probation and Community Corrections
- Other Special Revenue Funds

NONMAJOR DEBT SERVICE FUND

The Debt Service fund is used to account for the accumulation of governmental resources and payment of principal and interest on general obligation debt.

NONMAJOR CAPITAL PROJECTS FUNDS

The capital projects funds are used to account for the financial resources used for the acquisition, construction or renovation of facilities (other than those financed by the proprietary funds). Following are descriptions of the nonmajor capital projects funds:

FCCS Building Purchase Capital Project Fund – This fund accounts for the purchase of a building to be used by the Franklin County Children Services Board.

New Building Construction Capital Projects Fund – This fund accounts for land acquisition and construction of a new court building.

Road Projects Capital Projects Fund – This fund accounts for construction costs associated with improving certain intersections and roads in the County.

Other Capital Projects Fund – This fund accounts for miscellaneous capital projects.

FRANKLIN COUNTY, OHIO

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2005
(Amounts in the 000's)

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total
Assets:				
Equity with County Treasurer	\$ 75,425	\$ 1,006	\$ 6,833	\$ 83,264
Cash and investments in segregated accounts	1,414	-	-	1,414
Accounts receivable	899	-	-	899
Accrued interest receivable	3	-	-	3
Due from other governments	24,582	-	-	24,582
Due from other funds	329	-	-	329
Property taxes receivable, net	36,523	-	-	36,523
Loans receivable, net	3,793	-	-	3,793
Notes receivable	-	14,950	-	14,950
Leases receivable	-	3,160	-	3,160
Inventories	1,618	-	-	1,618
Total assets	\$ 144,586	\$ 19,116	\$ 6,833	\$ 170,535
Liabilities and Fund Balances:				
Liabilities:				
Accrued wages	\$ 2,539	\$ -	\$ -	\$ 2,539
Accounts payable	7,922	-	526	8,448
Matured bonds and interest payable	-	677	-	677
Due to other funds	951	-	34	985
Deferred revenue	16,808	3,160	-	19,968
Unearned revenue	42,957	299	-	43,256
Advances from other funds	291	-	-	291
Total liabilities	71,468	4,136	560	76,164
Fund balances:				
Reserved for notes receivable	-	14,950	-	14,950
Reserved for inventories	1,618	-	-	1,618
Unreserved, reported in:				
Special revenue funds	71,500	-	-	71,500
Debt service fund	-	30	-	30
Capital projects funds	-	-	6,273	6,273
Total fund balances	73,118	14,980	6,273	94,371
Total liabilities and fund balances	\$ 144,586	\$ 19,116	\$ 6,833	\$ 170,535

FRANKLIN COUNTY, OHIO

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2005
(Amounts in the 000's)

	Motor Vehicle and Gasoline Tax	Senior Services	Child Support Enforcement	Zoological Park
Assets:				
Equity with County Treasurer	\$ 3,505	\$ 11,492	\$ 1,061	\$ 1,068
Cash and investments in segregated accounts	-	-	-	-
Accounts receivable	85	308	-	-
Accrued interest receivable	-	-	-	-
Due from other governments	15,309	808	-	806
Due from other funds	-	86	-	-
Property taxes receivable, net	-	18,695	-	17,828
Loans receivable, net	-	-	-	-
Inventories	1,456	2	20	-
Total assets	\$ 20,355	\$ 31,391	\$ 1,081	\$ 19,702
Liabilities:				
Accrued wages	\$ 676	\$ 199	\$ 561	\$ -
Accounts payable	864	1,076	31	47
Due to other funds	100	47	328	-
Deferred revenue	9,898	1,812	-	1,569
Unearned revenue	-	18,736	-	18,086
Advances from other funds	-	-	-	-
Total liabilities	11,538	21,870	920	19,702
Fund balances:				
Reserved for inventories	1,456	2	20	-
Unreserved	7,361	9,519	141	-
Total fund balances	8,817	9,521	161	-
Total liabilities and fund balances	\$ 20,355	\$ 31,391	\$ 1,081	\$ 19,702

(Continued on next page)

FRANKLIN COUNTY, OHIO

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2005
(Amounts in the 000's)

	Homeland Security and Justice Programs	Real Estate Assessment	Community and Economic Development	Convention Center Lease
Assets:				
Equity with County Treasurer	\$ 1,664	\$ 16,103	\$ 705	\$ -
Cash and investments in segregated accounts	-	-	-	-
Accounts receivable	-	-	-	-
Accrued interest receivable	-	-	-	-
Due from other governments	2,914	-	1,450	-
Due from other funds	-	-	-	-
Property taxes receivable, net	-	-	-	-
Loans receivable, net	-	-	3,793	-
Inventories	-	30	-	-
Total assets	\$ 4,578	\$ 16,133	\$ 5,948	\$ -
Liabilities:				
Accrued wages	\$ 18	\$ 248	\$ 17	\$ -
Accounts payable	3,047	179	1,461	-
Due to other funds	122	61	2	-
Deferred revenue	1,465	-	511	-
Unearned revenue	1,599	-	3,793	-
Advances from other funds	-	-	-	-
Total liabilities	6,251	488	5,784	-
Fund balances:				
Reserved for inventories	-	30	-	-
Unreserved	(1,673)	15,615	164	-
Total fund balances	(1,673)	15,645	164	-
Total liabilities and fund balances	\$ 4,578	\$ 16,133	\$ 5,948	\$ -

(Continued on next page)

FRANKLIN COUNTY, OHIO

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2005
(Amounts in the 000's)

	Emergency Management Agency	C.B.C.F. Operations	Certificate of Title Administration	Dog and Kennel
Assets:				
Equity with County Treasurer	\$ 811	\$ 1,267	\$ 3,670	\$ 318
Cash and investments in segregated accounts	-	-	4	-
Accounts receivable	-	-	361	1
Accrued interest receivable	-	-	-	-
Due from other governments	113	2,480	-	-
Due from other funds	-	-	-	-
Property taxes receivable, net	-	-	-	-
Loans receivable, net	-	-	-	-
Inventories	5	51	21	30
Total assets	\$ 929	\$ 3,798	\$ 4,056	\$ 349
Liabilities:				
Accrued wages	\$ 18	\$ 185	\$ 158	\$ 107
Accounts payable	122	57	30	147
Due to other funds	36	56	48	48
Deferred revenue	-	1,165	-	-
Unearned revenue	-	313	-	-
Advances from other funds	-	-	-	-
Total liabilities	176	1,776	236	302
Fund balances:				
Reserved for inventories	5	51	21	30
Unreserved	748	1,971	3,799	17
Total fund balances	753	2,022	3,820	47
Total liabilities and fund balances	\$ 929	\$ 3,798	\$ 4,056	\$ 349

(Continued on next page)

FRANKLIN COUNTY, OHIO

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2005
(Amounts in the 000's)

	Domestic and Juvenile Court Grants	Adult Probation and Community Corrections	Other Special Revenue	Total
Assets:				
Equity with County Treasurer	\$ 8,983	\$ 819	\$ 23,959	\$ 75,425
Cash and investments in segregated accounts	-	-	1,410	1,414
Accounts receivable	-	24	120	899
Accrued interest receivable	-	-	3	3
Due from other governments	702	-	-	24,582
Due from other funds	-	-	243	329
Property taxes receivable, net	-	-	-	36,523
Loans receivable, net	-	-	-	3,793
Inventories	-	-	3	1,618
Total assets	\$ 9,685	\$ 843	\$ 25,738	\$ 144,586
Liabilities:				
Accrued wages	\$ 101	\$ 72	\$ 179	\$ 2,539
Accounts payable	171	7	683	7,922
Due to other funds	26	12	65	951
Deferred revenue	357	-	31	16,808
Unearned revenue	430	-	-	42,957
Advances from other funds	58	-	233	291
Total liabilities	1,143	91	1,191	71,468
Fund balances:				
Reserved for inventories	-	-	3	1,618
Unreserved	8,542	752	24,544	71,500
Total fund balances	8,542	752	24,547	73,118
Total liabilities and fund balances	\$ 9,685	\$ 843	\$ 25,738	\$ 144,586

(Continued)

FRANKLIN COUNTY, OHIO

Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2005
(Amounts in the 000's)

	FCCS Building Purchase	New Building Construction	Road Projects	Other Capital Projects	Total
Assets:					
Equity with County Treasurer	\$ 34	\$ 2,514	\$ 4,270	\$ 15	\$ 6,833
Total assets	\$ 34	\$ 2,514	\$ 4,270	\$ 15	\$ 6,833
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 526	\$ -	\$ 526
Due to other funds	34	-	-	-	34
Total liabilities	34	-	526	-	560
Fund balances:					
Unreserved	-	2,514	3,744	15	6,273
Total fund balances	-	2,514	3,744	15	6,273
Total liabilities and fund balances	\$ 34	\$ 2,514	\$ 4,270	\$ 15	\$ 6,833

FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended December 31, 2005

(Amounts in 000's)

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total
Revenues:				
Real and other taxes	\$ 30,363	\$ -	\$ -	\$ 30,363
Licenses and permits	912	-	-	912
Fees and charges for services	29,552	-	-	29,552
Fines and forfeitures	1,654	-	-	1,654
Intergovernmental	85,314	-	-	85,314
Investment income	207	-	-	207
Other	10,624	1,615	-	12,239
Total revenues	158,626	1,615	-	160,241
Expenditures:				
Current:				
General government	23,469	-	-	23,469
Judicial	1,559	-	-	1,559
Public safety	24,900	-	-	24,900
Human services	38,606	-	-	38,606
Public works	38,242	-	-	38,242
Conservation and recreation	14,278	-	-	14,278
Community development	4,493	-	-	4,493
Capital outlays	-	-	23,481	23,481
Debt service:				
Principal retirement	825	8,375	-	9,200
Interest charges	-	5,691	-	5,691
Bond issuance cost	-	200	117	317
Intergovernmental grants	11,792	-	-	11,792
Total expenditures	158,164	14,266	23,598	196,028
Excess (deficiency) of revenues over (under) expenditures	462	(12,651)	(23,598)	(35,787)
Other financing sources (uses):				
Transfers in	8,922	10,506	13,350	32,778
Transfers out	(670)	-	(4,767)	(5,437)
Bond proceeds	-	-	15,895	15,895
Refunding bonds issued	-	25,085	-	25,085
Premium on issuance of bonds	-	1,946	607	2,553
Payment to refunded bond escrow agent	-	(26,830)	-	(26,830)
Sale of capital assets	504	-	-	504
Total other financing sources (uses)	8,756	10,707	25,085	44,548
Net change in fund balances	9,218	(1,944)	1,487	8,761
Fund balances - beginning	63,900	16,924	4,786	85,610
Fund balances - ending	\$ 73,118	\$ 14,980	\$ 6,273	\$ 94,371

FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended December 31, 2005
(Amounts in 000's)

	Motor Vehicle and Gasoline Tax	Senior Services	Child Support Enforcement	Zoological Park
Revenues:				
Real and other taxes	\$ -	\$ 17,461	\$ -	\$ 12,902
Licenses and permits	21	-	-	-
Fees and charges for services	131	646	3,204	-
Fines and forfeitures	643	-	-	-
Intergovernmental	37,993	2,506	12,968	1,605
Investment income	79	-	-	-
Other	2,327	224	590	-
Total revenues	41,194	20,837	16,762	14,507
Expenditures:				
Current:				
General government	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Human services	-	20,720	16,601	-
Public works	38,032	-	-	-
Conservation and recreation	-	-	-	14,278
Community development	-	-	-	-
Debt service:				
Principal retirement	823	-	-	-
Intergovernmental grants	-	102	-	-
Total expenditures	38,855	20,822	16,601	14,278
Excess (deficiency) of revenues over (under) expenditures	2,339	15	161	229
Other financing sources (uses):				
Transfers in	-	1,146	-	-
Transfers out	(23)	-	-	(229)
Sale of capital assets	504	-	-	-
Total other financing sources (uses)	481	1,146	-	(229)
Net change in fund balances	2,820	1,161	161	-
Fund balances - beginning	5,997	8,360	-	-
Fund balances - ending	\$ 8,817	\$ 9,521	\$ 161	\$ -

(Continued on next page)

FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended December 31, 2005
(Amounts in 000's)

	Homeland Security and Justice Programs	Real Estate Assessment	Community and Economic Development	Convention Center Lease
Revenues:				
Real and other taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fees and charges for services	-	11,594	204	-
Fines and forfeitures	-	-	-	-
Intergovernmental	10,565	-	3,945	-
Investment income	6	-	-	-
Other	124	2	-	6,451
Total revenues	10,695	11,596	4,149	6,451
Expenditures:				
Current:				
General government	-	8,294	-	6,451
Judicial	-	-	-	-
Public safety	4,943	-	-	-
Human services	-	-	-	-
Public works	-	-	-	-
Conservation and recreation	-	-	-	-
Community development	-	-	4,420	-
Debt service:				
Principal retirement	-	-	-	-
Intergovernmental grants	7,851	-	2,341	-
Total expenditures	12,794	8,294	6,761	6,451
Excess (deficiency) of revenues over (under) expenditures	(2,099)	3,302	(2,612)	-
Other financing sources (uses):				
Transfers in	805	-	2,748	-
Transfers out	(397)	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	408	-	2,748	-
Net change in fund balances	(1,691)	3,302	136	-
Fund balances - beginning	18	12,343	28	-
Fund balances - ending	\$ (1,673)	\$ 15,645	\$ 164	\$ -

(Continued on next page)

FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended December 31, 2005
(Amounts in 000's)

	Emergency Management Agency	C.B.C.F. Operations	Certificate of Title Administration	Dog and Kennel
Revenues:				
Real and other taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	837
Fees and charges for services	615	-	4,455	301
Fines and forfeitures	-	-	-	185
Intergovernmental	4,571	5,321	-	-
Investment income	-	-	-	-
Other	7	3	2	46
Total revenues	5,193	5,324	4,457	1,369
Expenditures:				
Current:				
General government	-	-	4,462	-
Judicial	-	-	-	-
Public safety	3,795	5,012	-	4,271
Human services	-	-	-	-
Public works	-	-	-	-
Conservation and recreation	-	-	-	-
Community development	-	-	-	-
Debt service:				
Principal retirement	-	-	1	-
Intergovernmental grants	1,228	-	-	-
Total expenditures	5,023	5,012	4,463	4,271
Excess (deficiency) of revenues over (under) expenditures	170	312	(6)	(2,902)
Other financing sources (uses):				
Transfers in	-	-	-	2,745
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	2,745
Net change in fund balances	170	312	(6)	(157)
Fund balances - beginning	583	1,710	3,826	204
Fund balances - ending	\$ 753	\$ 2,022	\$ 3,820	\$ 47

(Continued on next page)

FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended December 31, 2005
(Amounts in 000's)

	Domestic and Juvenile Court Grants	Adult Probation and Community Corrections	Other Special Revenue	Total
Revenues:				
Real and other taxes	\$ -	\$ -	\$ -	\$ 30,363
Licenses and permits	-	-	54	912
Fees and charges for services	-	125	8,277	29,552
Fines and forfeitures	-	-	826	1,654
Intergovernmental	3,567	1,303	970	85,314
Investment income	-	-	122	207
Other	2	26	820	10,624
Total revenues	3,569	1,454	11,069	158,626
Expenditures:				
Current:				
General government	-	-	4,262	23,469
Judicial	67	-	1,492	1,559
Public safety	2,654	1,492	2,733	24,900
Human services	355	-	930	38,606
Public works	-	-	210	38,242
Conservation and recreation	-	-	-	14,278
Community development	-	-	73	4,493
Debt service:				
Principal retirement	-	1	-	825
Intergovernmental grants	-	-	270	11,792
Total expenditures	3,076	1,493	9,970	158,164
Excess (deficiency) of revenues over (under) expenditures	493	(39)	1,099	462
Other financing sources (uses):				
Transfers in	-	-	1,478	8,922
Transfers out	-	-	(21)	(670)
Sale of capital assets	-	-	-	504
Total other financing sources (uses)	-	-	1,457	8,756
Net change in fund balances	493	(39)	2,556	9,218
Fund balances - beginning	8,049	791	21,991	63,900
Fund balances - ending	\$ 8,542	\$ 752	\$ 24,547	\$ 73,118

(Continued)

FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended December 31, 2005
(Amounts in 000's)

	FCCS Building Purchase	New Building Construction	Road Projects	Other Capital Projects	Total
Revenues:					
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:					
Capital outlays	11,092	10,836	1,549	4	23,481
Debt service:					
Bond issuance cost	<u>79</u>	<u>-</u>	<u>38</u>	<u>-</u>	<u>117</u>
Total expenditures	<u>11,171</u>	<u>10,836</u>	<u>1,587</u>	<u>4</u>	<u>23,598</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,171)</u>	<u>(10,836)</u>	<u>(1,587)</u>	<u>(4)</u>	<u>(23,598)</u>
Other financing sources (uses):					
Transfers in	-	13,350	-	-	13,350
Transfers out	-	-	-	(4,767)	(4,767)
Bond proceeds	10,895	-	5,000	-	15,895
Premium on issuance of bonds	<u>276</u>	<u>-</u>	<u>331</u>	<u>-</u>	<u>607</u>
Total other financing sources (uses)	<u>11,171</u>	<u>13,350</u>	<u>5,331</u>	<u>(4,767)</u>	<u>25,085</u>
Net change in fund balances	-	2,514	3,744	(4,771)	1,487
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,786</u>	<u>4,786</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 2,514</u>	<u>\$ 3,744</u>	<u>\$ 15</u>	<u>\$ 6,273</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Sales tax	\$ 88,448	\$ 88,448	\$ 84,777	\$ (3,671)
Real and other taxes	32,692	33,238	33,106	(132)
Licenses and permits	576	576	699	123
Fees and charges for services	52,278	52,731	56,998	4,267
Fines and forfeitures	721	721	865	144
Intergovernmental	38,034	38,252	38,609	357
Investment income	16,235	16,235	18,411	2,176
Other	3,139	3,119	3,686	567
Total revenues	232,123	233,320	237,151	3,831
Expenditures:				
Current:				
General government				
Commissioners				
Personal services	5,146	4,896	1,894	3,002
Fringe benefits	2,676	2,615	2,038	577
Materials and services	4,740	4,665	2,651	2,014
Capital outlays	73	73	71	2
Total commissioners	12,635	12,249	6,654	5,595
Purchasing				
Personal services	573	573	500	73
Fringe benefits	248	248	212	36
Materials and services	1,545	1,545	1,518	27
Capital outlays	155	155	134	21
Total purchasing	2,521	2,521	2,364	157
Public facilities management				
Personal services	7,613	7,613	7,336	277
Fringe benefits	3,516	3,516	3,246	270
Materials and services	12,757	12,757	11,379	1,378
Capital outlays	638	638	65	573
Total public facilities management	24,524	24,524	22,026	2,498
Fleet management				
Personal services	320	320	300	20
Fringe benefits	130	130	125	5
Materials and services	966	966	938	28
Capital outlays	66	66	3	63
Total fleet management	1,482	1,482	1,366	116
Human resources				
Personal services	1,077	1,166	725	441
Fringe benefits	399	399	276	123
Materials and services	201	121	25	96
Capital outlays	21	25	13	12
Total human resources	1,698	1,711	1,039	672

(Continued on next page)

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Auditor				
Personal services	\$ 1,344	\$ 1,344	\$ 1,308	\$ 36
Fringe benefits	522	522	483	39
Materials and services	1,136	1,136	1,037	99
Capital outlays	14	14	8	6
Total auditor	<u>3,016</u>	<u>3,016</u>	<u>2,836</u>	<u>180</u>
Data center				
Personal services	3,343	3,343	3,308	35
Fringe benefits	1,174	1,174	1,113	61
Materials and services	2,561	3,948	3,551	397
Capital outlays	381	785	750	35
Total data center	<u>7,459</u>	<u>9,250</u>	<u>8,722</u>	<u>528</u>
Recorder				
Personal services	1,963	1,918	1,912	6
Fringe benefits	905	917	909	8
Materials and services	261	288	249	39
Total recorder	<u>3,129</u>	<u>3,123</u>	<u>3,070</u>	<u>53</u>
Treasurer				
Personal services	921	921	912	9
Fringe benefits	376	376	353	23
Materials and services	578	578	449	129
Total treasurer	<u>1,875</u>	<u>1,875</u>	<u>1,714</u>	<u>161</u>
Board of elections				
Personal services	2,848	2,943	2,929	14
Fringe benefits	744	759	752	7
Materials and services	1,899	1,839	1,507	332
Grants	20	20	20	-
Capital outlays	230	265	230	35
Total board of elections	<u>5,741</u>	<u>5,826</u>	<u>5,438</u>	<u>388</u>
Commissioners - risk management				
Materials and services	<u>200</u>	<u>200</u>	<u>49</u>	<u>151</u>
Total general government	<u>64,280</u>	<u>65,777</u>	<u>55,278</u>	<u>10,499</u>
Judicial				
Prosecuting attorney				
Personal services	8,455	8,510	8,315	195
Fringe benefits	3,021	3,043	2,920	123
Materials and services	569	619	603	16
Total prosecuting attorney	<u>12,045</u>	<u>12,172</u>	<u>11,838</u>	<u>334</u>

(Continued on next page)

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Court of appeals				
Personal services	\$ 643	\$ 654	\$ 650	\$ 4
Fringe benefits	488	476	474	2
Materials and services	260	285	269	16
Total court of appeals	<u>1,391</u>	<u>1,415</u>	<u>1,393</u>	<u>22</u>
Common pleas court				
Personal services	8,718	8,633	8,420	213
Fringe benefits	3,619	3,500	3,329	171
Materials and services	6,253	6,613	5,884	729
Capital outlays	158	158	157	1
Contingencies	156	-	-	-
Total common pleas court	<u>18,904</u>	<u>18,904</u>	<u>17,790</u>	<u>1,114</u>
Domestic and juvenile court				
Personal services	13,736	13,707	13,547	160
Fringe benefits	5,686	5,533	5,375	158
Materials and services	7,300	7,659	7,420	239
Capital outlays	86	84	84	-
Contingencies	171	-	-	-
Total domestic and juvenile court	<u>26,979</u>	<u>26,983</u>	<u>26,426</u>	<u>557</u>
Probate court				
Personal services	1,739	1,737	1,737	-
Fringe benefits	725	713	712	1
Materials and services	127	220	215	5
Capital outlays	7	7	6	1
Total probate court	<u>2,598</u>	<u>2,677</u>	<u>2,670</u>	<u>7</u>
Clerk of courts				
Personal services	4,631	4,631	4,408	223
Fringe benefits	2,239	2,239	2,135	104
Materials and services	669	669	474	195
Total clerk of courts	<u>7,539</u>	<u>7,539</u>	<u>7,017</u>	<u>522</u>
Municipal court				
Personal services	593	584	582	2
Fringe benefits	137	130	129	1
Materials and services	556	974	837	137
Total municipal court	<u>1,286</u>	<u>1,688</u>	<u>1,548</u>	<u>140</u>
Public defender				
Personal services	6,683	6,571	6,560	11
Fringe benefits	2,276	2,229	2,190	39
Materials and services	1,350	1,509	1,477	32
Capital outlays	35	35	33	2
Total public defender	<u>10,344</u>	<u>10,344</u>	<u>10,260</u>	<u>84</u>
Total judicial	<u>81,086</u>	<u>81,722</u>	<u>78,942</u>	<u>2,780</u>

(Continued on next page)

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Public safety				
Coroner				
Personal services	\$ 1,723	\$ 1,800	\$ 1,798	\$ 2
Fringe benefits	571	561	497	64
Materials and services	603	694	688	6
Capital outlays	43	43	39	4
Total coroner	<u>2,940</u>	<u>3,098</u>	<u>3,022</u>	<u>76</u>
Sheriff				
Personal services	47,611	47,511	46,691	820
Fringe benefits	16,590	16,260	15,704	556
Materials and services	11,857	12,372	11,310	1,062
Capital outlays	633	598	511	87
Contingencies	80	3	-	3
Total sheriff	<u>76,771</u>	<u>76,744</u>	<u>74,216</u>	<u>2,528</u>
Sheriff - rotary				
Personal services	2,061	2,061	1,871	190
Fringe benefits	730	730	630	100
Materials and services	150	150	80	70
Capital outlays	-	40	40	-
Total sheriff - rotary	<u>2,941</u>	<u>2,981</u>	<u>2,621</u>	<u>360</u>
Total public safety	<u>82,652</u>	<u>82,823</u>	<u>79,859</u>	<u>2,964</u>
Human services				
Veterans' service commission				
Personal services	602	602	595	7
Fringe benefits	273	273	253	20
Materials and services	1,194	1,102	852	250
Grants	1,338	2,038	1,988	50
Total human services	<u>3,407</u>	<u>4,015</u>	<u>3,688</u>	<u>327</u>
Public works				
Engineer				
Personal services	329	329	311	18
Fringe benefits	133	133	120	13
Materials and services	14	14	9	5
Capital outlays	23	23	14	9
Total public works	<u>499</u>	<u>499</u>	<u>454</u>	<u>45</u>
Community development				
Development				
Personal services	647	647	530	117
Fringe benefits	252	252	224	28
Materials and services	288	288	280	8
Capital outlays	11	11	11	-
Total community development	<u>1,198</u>	<u>1,198</u>	<u>1,045</u>	<u>153</u>

(Continued on next page)

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other				
Commissioners				
Grants	\$ 8,263	\$ 3,505	\$ 1,618	\$ 1,887
Contingencies	7,608	5,445	-	5,445
Total other	15,871	8,950	1,618	7,332
Capital outlays:				
Public facilities management - permanent improvement projects				
Materials and supplies	3,378	3,378	1,820	1,558
Capital outlays	26,697	26,697	860	25,837
Total capital outlays	30,075	30,075	2,680	27,395
Debt service:				
Commissioners				
Debt service	10,433	229	74	155
Total debt service	10,433	229	74	155
Intergovernmental grants:				
Commissioners				
Intergovernmental grants	-	4,758	4,758	-
Total intergovernmental grants	-	4,758	4,758	-
Total expenditures	289,501	280,046	228,396	51,650
Excess (deficiency) of revenues over (under) expenditures	(57,378)	(46,726)	8,755	55,481
Other financing sources (uses):				
Transfers in	36,367	36,430	5,129	(31,301)
Transfers out	(20,914)	(44,343)	(37,529)	6,814
Proceeds from sale of capital assets	92	92	70	(22)
Total other financing sources (uses)	15,545	(7,821)	(32,330)	(24,509)
Net change in fund balance	(41,833)	(54,547)	(23,575)	30,972
Fund balance - beginning	86,248	86,248	86,248	-
Fund balance - ending	\$ 44,415	\$ 31,701	\$ 62,673	\$ 30,972

(Continued)

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Board of MR&DD Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Real and other taxes	\$ 131,252	\$ 132,888	\$ 131,769	\$ (1,119)
Fees and charges for services	260	260	1,053	793
Intergovernmental	28,581	28,581	61,879	33,298
Other	630	630	559	(71)
Total revenues	160,723	162,359	195,260	32,901
Expenditures:				
Current:				
Health				
MR & DD				
Personal services	55,414	55,414	52,181	3,233
Fringe benefits	25,027	25,027	22,116	2,911
Materials and services	87,259	87,259	83,017	4,242
Capital outlays	5,726	5,726	3,113	2,613
Contingencies	131,907	131,907	28,984	102,923
Total expenditures	305,333	305,333	189,411	115,922
Excess (deficiency) of revenues				
over (under) expenditures	(144,610)	(142,974)	5,849	148,823
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	14	14
Total other financing sources (uses)	-	-	14	14
Net change in fund balance	(144,610)	(142,974)	5,863	148,837
Fund balance - beginning	155,157	155,157	155,157	-
Fund balance - ending	\$ 10,547	\$ 12,183	\$ 161,020	\$ 148,837

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Children Services Board Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Real and other taxes	\$ 108,811	\$ 104,064	\$ 100,635	\$ (3,429)
Fees and charges for services	1,634	1,634	1,579	(55)
Intergovernmental	72,391	72,391	71,419	(972)
Other	116	116	350	234
Total revenues	182,952	178,205	173,983	(4,222)
Expenditures:				
Current:				
Human services				
Children services				
Personal services	29,837	29,837	28,164	1,673
Fringe benefits	14,721	14,721	13,695	1,026
Materials and services	131,863	131,863	116,062	15,801
Capital outlays	382	382	308	74
Total expenditures	176,803	176,803	158,229	18,574
Excess (deficiency) of revenues				
over (under) expenditures	6,149	1,402	15,754	14,352
Other financing sources (uses):				
Proceeds from sale of capital assets	4	4	2	(2)
Total other financing sources (uses)	4	4	2	(2)
Net change in fund balance	6,153	1,406	15,756	14,350
Fund balance - beginning	18,498	18,498	18,498	-
Fund balance - ending	\$ 24,651	\$ 19,904	\$ 34,254	\$ 14,350

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Public Assistance Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental	\$ 125,144	\$ 125,144	\$ 121,672	\$ (3,472)
Other	3,388	3,388	2,691	(697)
<i>Total revenues</i>	128,532	128,532	124,363	(4,169)
Expenditures:				
Current:				
Human services				
Job and family services				
Personal services	22,378	22,210	21,383	827
Fringe benefits	10,023	10,191	10,116	75
Materials and services	101,265	100,618	96,328	4,290
Capital outlays	911	911	115	796
<i>Total expenditures</i>	134,577	133,930	127,942	5,988
<i>Excess (deficiency) of revenues</i>				
<i>over (under) expenditures</i>	(6,045)	(5,398)	(3,579)	1,819
Other financing sources (uses):				
Transfers in	7,387	7,387	7,159	(228)
Transfers out	-	(647)	(647)	-
<i>Total other financing sources (uses)</i>	7,387	6,740	6,512	(228)
<i>Net change in fund balance</i>	1,342	1,342	2,933	1,591
Fund balance - beginning	3,074	3,074	3,074	-
Fund balance - ending	\$ 4,416	\$ 4,416	\$ 6,007	\$ 1,591

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
ADAMH Board Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Real and other taxes	\$ 38,577	\$ 38,358	\$ 37,971	\$ (387)
Intergovernmental	71,991	72,334	73,889	1,555
Other	-	-	462	462
<i>Total revenues</i>	110,568	110,692	112,322	1,630
Expenditures:				
Current:				
Health				
ADAMH Board				
Personal services	3,399	3,399	3,284	115
Fringe benefits	1,336	1,335	1,252	83
Materials and services	110,259	121,113	113,543	7,570
Grants	11	11	6	5
Capital outlays	92	91	62	29
<i>Total expenditures</i>	115,097	125,949	118,147	7,802
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(4,529)	(15,257)	(5,825)	9,432
Other financing sources (uses):				
Transfers in	-	388	114	(274)
Transfers out	(50)	(50)	(50)	-
Proceeds from sale of capital assets	-	-	255	255
<i>Total other financing sources (uses)</i>	(50)	338	319	(19)
<i>Net change in fund balance</i>	(4,579)	(14,919)	(5,506)	9,413
Fund balance - beginning	19,688	19,688	19,688	-
Fund balance - ending	\$ 15,109	\$ 4,769	\$ 14,182	\$ 9,413

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Motor Vehicle and Gasoline Tax Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Licenses and permits	\$ 25	\$ 19	\$ (6)
Fees and charges for services	80	131	51
Fines and forfeitures	550	643	93
Intergovernmental	45,673	37,177	(8,496)
Investment income	100	79	(21)
Other	474	2,250	1,776
Total revenues	46,902	40,299	(6,603)
Expenditures:			
Current:			
Public works			
Engineer			
Personal services	8,854	8,724	130
Fringe benefits	3,284	2,974	310
Materials and services	9,639	8,080	1,559
Capital outlays	24,477	18,935	5,542
Total public works	46,254	38,713	7,541
Debt service:			
Principal retirement	824	823	1
Total expenditures	47,078	39,536	7,542
Excess (deficiency) of revenues over (under) expenditures	(176)	763	939
Other financing sources (uses):			
Transfers out	(86)	(23)	63
Proceeds from sale of capital assets	-	502	502
Total other financing sources (uses)	(86)	479	565
Net change in fund balance	(262)	1,242	1,504
Fund balance - beginning	2,263	2,263	-
Fund balance - ending	\$ 2,001	\$ 3,505	\$ 1,504

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Senior Services Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Real and other taxes	\$ 17,758	\$ 17,461	\$ (297)
Fees and charges for services	662	655	(7)
Intergovernmental	3,630	3,750	120
Other	-	121	121
<i>Total revenues</i>	22,050	21,987	(63)
Expenditures:			
Current:			
Human services			
Office on aging			
Personal services	3,197	3,020	177
Fringe benefits	1,276	1,197	79
Materials and services	16,812	14,913	1,899
Grants	1,577	1,569	8
Capital outlays	31	28	3
Total human services	22,893	20,727	2,166
Intergovernmental grants:			
Office on aging			
Intergovernmental grants	102	102	-
<i>Total expenditures</i>	22,995	20,829	2,166
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(945)	1,158	2,103
Other financing sources (uses):	-	-	-
<i>Net change in fund balance</i>	(945)	1,158	2,103
Fund balance - beginning	9,235	9,235	-
Fund balance - ending	\$ 8,290	\$ 10,393	\$ 2,103

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Child Support Enforcement Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Fees and charges for services	\$ 2,947	\$ 3,204	\$ 257
Intergovernmental	14,439	13,610	(829)
Other	432	590	158
Total revenues	17,818	17,404	(414)
Expenditures:			
Current:			
Human services			
Child support enforcement agency			
Personal services	8,893	8,389	504
Fringe benefits	4,705	4,439	266
Materials and services	4,334	4,189	145
Capital outlays	26	21	5
Total expenditures	17,958	17,038	920
Excess (deficiency) of revenues over (under) expenditures	(140)	366	506
Other financing sources (uses):			
Transfers in	481	-	(481)
Total other financing sources (uses)	481	-	(481)
Net change in fund balance	341	366	25
Fund balance - beginning	695	695	-
Fund balance - ending	\$ 1,036	\$ 1,061	\$ 25

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Zoological Park Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Real and other taxes	\$ 13,071	\$ 12,902	\$ (169)
Intergovernmental	1,588	1,622	34
<i>Total revenues</i>	14,659	14,524	(135)
Expenditures:			
Current:			
Conservation and recreation			
Zoological Park			
Materials and services	234	190	44
Grants	14,196	14,105	91
<i>Total expenditures</i>	14,430	14,295	135
<i>Excess (deficiency) of revenues over (under) expenditures</i>	229	229	-
Other financing sources (uses):			
Transfers out	(229)	(229)	-
<i>Total other financing sources (uses)</i>	(229)	(229)	-
<i>Net change in fund balance</i>	-	-	-
Fund balance - beginning	-	-	-
Fund balance - ending	\$ -	\$ -	\$ -

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Homeland Security and Justice Programs Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 20,584	\$ 10,570	\$ (10,014)
Investment income	-	6	6
Other	92	124	32
<i>Total revenues</i>	20,676	10,700	(9,976)
Expenditures:			
Current:			
Public safety			
Commissioners - justice programs unit			
Personal services	285	211	74
Fringe benefits	88	85	3
Materials and services	1,294	165	1,129
Grants	4,030	1,901	2,129
Total Commissioners - justice programs unit	5,697	2,362	3,335
Local law enforcement block grant			
Personal services	71	70	1
Fringe benefits	13	12	1
Materials and services	112	74	38
Capital outlays	40	14	26
Total local law enforcement block grant	236	170	66
Commissioners - urban area security initiative			
Personal services	40	40	-
Fringe benefits	20	20	-
Capital outlays	2,252	1,135	1,117
Total Commissioners - urban area security initiative	2,312	1,195	1,117
Total public safety	8,245	3,727	4,518
Intergovernmental grants:			
Commissioners - justice programs unit			
Intergovernmental grants	11,768	6,317	5,451
Total intergovernmental grants	11,768	6,317	5,451
<i>Total expenditures</i>	20,013	10,044	9,969
<i>Excess (deficiency) of revenues over (under) expenditures</i>	663	656	(7)
Other financing sources (uses):			
Transfers in	83	805	722
Transfers out	(688)	(688)	-
<i>Total other financing sources (uses)</i>	(605)	117	722
<i>Net change in fund balance</i>	58	773	715
Fund balance - beginning	891	891	-
Fund balance - ending	\$ 949	\$ 1,664	\$ 715

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Real Estate Assessment Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Fees and charges for services	\$ 10,646	\$ 11,606	\$ 960
Other	-	2	2
Total revenues	10,646	11,608	962
Expenditures:			
Current:			
General government			
Auditor - real estate assessment			
Personal services	3,840	3,772	68
Fringe benefits	1,548	1,471	77
Materials and services	3,923	2,927	996
Capital outlays	144	107	37
Total expenditures	9,455	8,277	1,178
Excess (deficiency) of revenues over (under) expenditures	1,191	3,331	2,140
Other financing sources (uses):	-	-	-
Net change in fund balance	1,191	3,331	2,140
Fund balance - beginning	12,696	12,696	-
Fund balance - ending	\$ 13,887	\$ 16,027	\$ 2,140

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Community and Economic Development Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fees and charges for services	\$ 286	\$ 204	\$ (82)
Intergovernmental	6,410	3,668	(2,742)
<i>Total revenues</i>	<u>6,696</u>	<u>3,872</u>	<u>(2,824)</u>
Expenditures:			
Current:			
Community development			
Community and economic development			
Personal services	277	259	18
Fringe benefits	97	90	7
Materials and services	342	291	51
Grants	6,120	3,517	2,603
Capital outlays	13	-	13
Total community development	<u>6,849</u>	<u>4,157</u>	<u>2,692</u>
Intergovernmental grants:			
Community and economic development			
Intergovernmental grants	1,811	1,811	-
Total intergovernmental grants	<u>1,811</u>	<u>1,811</u>	<u>-</u>
<i>Total expenditures</i>	<u>8,660</u>	<u>5,968</u>	<u>2,692</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,964)</u>	<u>(2,096)</u>	<u>(132)</u>
Other financing sources (uses):			
Transfers in	2,295	2,748	453
<i>Total other financing sources (uses)</i>	<u>2,295</u>	<u>2,748</u>	<u>453</u>
<i>Net change in fund balance</i>	<u>331</u>	<u>652</u>	<u>321</u>
Fund balance - beginning	53	53	-
Fund balance - ending	<u>\$ 384</u>	<u>\$ 705</u>	<u>\$ 321</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Convention Center Lease Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Other	\$ 6,804	\$ 6,451	\$ (353)
<i>Total revenues</i>	<u>6,804</u>	<u>6,451</u>	<u>(353)</u>
Expenditures:			
Current:			
General Government			
Commissioners - convention facility			
Materials and services	<u>6,804</u>	<u>6,451</u>	<u>353</u>
<i>Total expenditures</i>	<u>6,804</u>	<u>6,451</u>	<u>353</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Emergency Management Agency Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Fees and charges for services	\$ 757	\$ 615	\$ (142)
Intergovernmental	14,848	4,677	(10,171)
Other	7	7	-
<i>Total revenues</i>	15,612	5,299	(10,313)
Expenditures:			
Current:			
Public safety			
EMA - emergency management			
Personal services	372	299	73
Fringe benefits	134	99	35
Materials and services	10,562	2,120	8,442
Grants	1,761	209	1,552
Capital outlays	1,372	998	374
Total EMA - emergency management	14,201	3,725	10,476
EMA - warning			
Materials and services	191	156	35
Capital outlays	98	36	62
Total EMA - warning	289	192	97
Total public safety	14,490	3,917	10,573
Intergovernmental grants:			
EMA - emergency management			
Intergovernmental grants	1,228	1,228	-
Total intergovernmental grants	1,228	1,228	-
<i>Total expenditures</i>	15,718	5,145	10,573
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(106)	154	260
Other financing sources (uses):	-	-	-
<i>Net change in fund balance</i>	(106)	154	260
Fund balance - beginning	657	657	-
Fund balance - ending	\$ 551	\$ 811	\$ 260

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
C.B.C.F. Operations Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 5,286	\$ 5,317	\$ 31
Other	-	3	3
<i>Total revenues</i>	5,286	5,320	34
Expenditures:			
Current:			
Public safety			
Common pleas court - community based			
correctional facility operations			
Personal services	2,897	2,680	217
Fringe benefits	1,338	1,212	126
Materials and services	1,190	1,148	42
Capital outlays	57	57	-
<i>Total expenditures</i>	5,482	5,097	385
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(196)	223	419
Other financing sources (uses):	-	-	-
<i>Net change in fund balance</i>	(196)	223	419
Fund balance - beginning	1,044	1,044	-
Fund balance - ending	\$ 848	\$ 1,267	\$ 419

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Certificate of Title Administration Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Fees and charges for services	\$ 4,371	\$ 4,443	\$ 72
Other	-	3	3
Total revenues	<u>4,371</u>	<u>4,446</u>	<u>75</u>
Expenditures:			
Current:			
General government			
Clerk of courts - auto title			
Personal services	2,685	2,541	144
Fringe benefits	1,253	1,186	67
Materials and services	903	821	82
Total expenditures	<u>4,841</u>	<u>4,548</u>	<u>293</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(470)</u>	<u>(102)</u>	<u>368</u>
Other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(470)</u>	<u>(102)</u>	<u>368</u>
Fund balance - beginning	3,772	3,772	-
Fund balance - ending	<u><u>\$ 3,302</u></u>	<u><u>\$ 3,670</u></u>	<u><u>\$ 368</u></u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Dog and Kennel Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Licenses and permits	\$ 760	\$ 838	\$ 78
Fees and charges for services	279	302	23
Intergovernmental	6	-	(6)
Fines and forfeitures	207	186	(21)
Other	14	47	33
Total revenues	1,266	1,373	107
Expenditures:			
Current:			
Public safety			
Animal control			
Personal services	1,591	1,581	10
Fringe benefits	844	843	1
Materials and services	1,740	1,669	71
Capital outlays	126	118	8
Total animal control	4,301	4,211	90
Auditor - dog & kennel			
Materials and services	158	20	138
Total auditor - dog & kennel	158	20	138
Total expenditures	4,459	4,231	228
Excess (deficiency) of revenues over (under) expenditures	(3,193)	(2,858)	335
Other financing sources (uses):			
Transfers in	2,762	2,745	(17)
Total other financing sources (uses)	2,762	2,745	(17)
Net change in fund balance	(431)	(113)	318
Fund balance - beginning	431	431	-
Fund balance - ending	\$ -	\$ 318	\$ 318

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Domestic and Juvenile Court Grants Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$ 4,119	\$ 3,394	\$ (725)
Other	6	2	(4)
<i>Total revenues</i>	4,125	3,396	(729)
Expenditures:			
Current:			
Judicial			
Domestic and juvenile court - drug court			
Personal services	41	41	-
Fringe benefits	16	16	-
Materials and services	40	12	28
Total judicial	97	69	28
Public safety			
Domestic and juvenile court			
Personal services	1,232	1,178	54
Fringe benefits	493	491	2
Materials and services	1,194	868	326
Capital outlays	31	22	9
Total public safety	2,950	2,559	391
Human services			
Domestic and juvenile court			
Personal services	458	260	198
Fringe benefits	209	124	85
Materials and services	34	9	25
Total human services	701	393	308
<i>Total expenditures</i>	3,748	3,021	727
<i>Excess (deficiency) of revenues over (under) expenditures</i>	377	375	(2)
Other financing sources (uses):	-	-	-
<i>Net change in fund balance</i>	377	375	(2)
Fund balance - beginning	8,608	8,608	-
Fund balance - ending	\$ 8,985	\$ 8,983	\$ (2)

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Adult Probation and Community Corrections Special Revenue Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Fees and charges for services	\$ 116	\$ 112	\$ (4)
Intergovernmental	1,478	1,303	(175)
Other	-	25	25
Total revenues	1,594	1,440	(154)
Expenditures:			
Current:			
Public safety			
Common pleas court			
Personal services	978	944	34
Fringe benefits	397	350	47
Materials and services	320	193	127
Capital outlays	4	4	-
Total expenditures	1,699	1,491	208
Excess (deficiency) of revenues over (under) expenditures	(105)	(51)	54
Other financing sources (uses):	-	-	-
Net change in fund balance	(105)	(51)	54
Fund balance - beginning	870	870	-
Fund balance - ending	\$ 765	\$ 819	\$ 54

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Other Special Revenue Funds
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Licenses and permits	\$ 128	\$ 54	\$ (74)
Fees and charges for services	7,735	7,282	(453)
Fines and forfeitures	5	6	1
Intergovernmental	922	970	48
Investment income	60	110	50
Other	356	334	(22)
Total revenues	9,206	8,756	(450)
Expenditures:			
Current:			
General government			
Personal services	1,753	1,672	81
Fringe benefits	676	634	42
Materials and services	2,383	1,660	723
Grants	553	297	256
Total general government	5,365	4,263	1,102
Judicial			
Personal services	340	330	10
Fringe benefits	130	124	6
Materials and services	797	372	425
Total judicial	1,267	826	441
Public safety			
Personal services	637	581	56
Fringe benefits	210	188	22
Materials and services	1,964	1,131	833
Capital outlays	114	15	99
Total public safety	2,925	1,915	1,010
Human services			
Materials and services	615	553	62
Total human services	615	553	62
Public works			
Personal services	139	70	69
Fringe benefits	42	20	22
Materials and services	136	111	25
Capital outlays	59	-	59
Total public works	376	201	175
Community development			
Materials and services	26	26	-
Capital outlays	100	47	53
Total community development	126	73	53

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Other Special Revenue Funds
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Intergovernmental grants			
Intergovernmental grants	\$ 270	\$ 270	\$ -
Total intergovernmental grants	<u>270</u>	<u>270</u>	<u>-</u>
 <i>Total expenditures</i>	 <u>10,944</u>	 <u>8,101</u>	 <u>2,843</u>
 <i>Excess (deficiency) of revenues over (under) expenditures</i>	 <u>(1,738)</u>	 <u>655</u>	 <u>2,393</u>
 Other financing sources (uses):			
Transfers in	1,160	1,707	547
Transfers out	(385)	(299)	86
 <i>Total other financing sources (uses)</i>	 <u>775</u>	 <u>1,408</u>	 <u>633</u>
 <i>Net change in fund balance</i>	 <u>(963)</u>	 <u>2,063</u>	 <u>3,026</u>
 Fund balance - beginning	 <u>21,465</u>	 <u>21,465</u>	 <u>-</u>
Fund balance - ending	<u>\$ 20,502</u>	<u>\$ 23,528</u>	<u>\$ 3,026</u>

(Continued)

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Debt Service Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$ 2,859	\$ 3,859	\$ 1,000
<i>Total revenues</i>	<u>2,859</u>	<u>3,859</u>	<u>1,000</u>
Expenditures:			
Debt service:			
Commissioners - bond retirement			
Principal retirement	9,458	9,110	348
Interest charges	6,293	5,966	327
Bond issuance costs	200	200	-
<i>Total expenditures</i>	<u>15,951</u>	<u>15,276</u>	<u>675</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(13,092)</u>	<u>(11,417)</u>	<u>1,675</u>
Other financing sources (uses):			
Transfers in	11,774	11,571	(203)
Refunding bonds issued	25,703	25,085	(618)
Premium on issuance of bonds	1,946	1,946	-
Payment to bond agent	(26,830)	(26,830)	-
<i>Total other financing sources (uses)</i>	<u>12,593</u>	<u>11,772</u>	<u>(821)</u>
<i>Net change in fund balance</i>	<u>(499)</u>	<u>355</u>	<u>854</u>
Fund balance - beginning	651	651	-
Fund balance - ending	<u>\$ 152</u>	<u>\$ 1,006</u>	<u>\$ 854</u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
FCCS Building Purchase Capital Project Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:			
Capital outlays:			
Children services - building purchase			
Capital outlays	11,092	11,058	34
Total capital outlays	<u>11,092</u>	<u>11,058</u>	<u>34</u>
Debt service:			
Children services - building purchase			
Bond issuance costs	79	79	-
Total debt service	<u>79</u>	<u>79</u>	<u>-</u>
 Total expenditures	 <u>11,171</u>	 <u>11,137</u>	 <u>34</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(11,171)</u>	 <u>(11,137)</u>	 <u>(34)</u>
Other financing sources (uses):			
Bond proceeds	10,895	10,895	-
Premium on issuance of bonds	276	276	-
Total other financing sources (uses)	<u>11,171</u>	<u>11,171</u>	<u>-</u>
 Net change in fund balance	 -	 34	 (34)
Fund balance - beginning	-	-	-
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ 34</u></u>	<u><u>\$ (34)</u></u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
New Building Construction Capital Projects Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:			
Capital outlays			
Public facilities management - new building			
Capital outlays	10,900	10,836	64
Total expenditures	<u>10,900</u>	<u>10,836</u>	<u>64</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,900)</u>	<u>(10,836)</u>	<u>64</u>
Other financing sources (uses):			
Transfers in	10,900	13,350	2,450
Total other financing sources (uses)	<u>10,900</u>	<u>13,350</u>	<u>2,450</u>
Net change in fund balance	-	2,514	2,514
Fund balance - beginning	-	-	-
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ 2,514</u></u>	<u><u>\$ 2,514</u></u>

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Road Projects Capital Project Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budge Positive (Negative)
Revenues:	\$ -	\$ -	\$ -
Expenditures:			
Capital outlays:			
Engineer - roadway projects			
Capital outlays	1,200	1,023	177
Total capital outlays	1,200	1,023	177
Debt service:			
Engineer - roadway projects			
Bond issuance costs	38	38	-
Total debt service	38	38	-
 Total expenditures	 1,238	 1,061	 177
 Excess (deficiency) of revenues over (under) expenditures	 (1,238)	 (1,061)	 (177)
Other financing sources (uses):			
Bond proceeds	5,000	5,000	-
Premium on issuance of bonds	331	331	-
Total other financing sources (uses)	5,331	5,331	-
 Net change in fund balance	 4,093	 4,270	 (177)
Fund balance - beginning	-	-	-
Fund balance - ending	\$ 4,093	\$ 4,270	\$ (177)

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Other Capital Projects Funds
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:			
Capital outlays:			
Public facilities management			
Capital outlays	19	4	15
Total expenditures	<u>19</u>	<u>4</u>	<u>15</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19)</u>	<u>(4)</u>	<u>15</u>
Other financing sources (uses):			
Transfers out	(4,767)	(4,767)	-
Total other financing sources (uses)	<u>(4,767)</u>	<u>(4,767)</u>	<u>-</u>
Net change in fund balance	<u>(4,786)</u>	<u>(4,771)</u>	<u>15</u>
Fund balance - beginning	4,786	4,786	-
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ 15</u></u>	<u><u>\$ 15</u></u>

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise. The County intends that the cost of providing services to the general public on a continuing basis be financed or recovered primarily through user charges. Following are descriptions of the enterprise funds:

Water and Sewer – This fund accounts for the provision of water and sewer services to a relatively small area of the County not serviced by other local water and sewer operations. All activities necessary to provide such services are accounted for in this fund.

Parking Facilities – This fund accounts for the fees and operations of the County-owned parking facilities. The facilities serve both County employees and the general public.

Since the Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets and the Statement of Cash Flows for each of the enterprise funds are presented in the basic financial statements, they are not repeated in this section.

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenses and
Changes in Fund Equity - Budget and Actual
Water and Sewer Enterprise Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating revenues:			
Fees and charges for services	\$ 5,707	\$ 5,037	\$ (670)
Other	10	36	26
Total operating revenues	5,717	5,073	(644)
Operating expenses:			
Personal services	583	553	30
Fringe benefits	235	215	20
Materials and services	4,201	3,446	755
Capital outlays	9,577	5,470	4,107
Total operating expenses	14,596	9,684	4,912
Operating income (loss)	(8,879)	(4,611)	4,268
Nonoperating revenues (expenses):			
Intergovernmental	1,371	880	(491)
Proceeds of notes	7,389	2,795	(4,594)
Debt service:			
Principal retirement	(248)	(201)	47
Interest charges	(168)	(168)	-
Total nonoperating revenues (expenses)	8,344	3,306	(5,038)
Income (loss) before operating transfers	(535)	(1,305)	(770)
Transfers in	548	-	(548)
Transfers out	(492)	(31)	461
Net change in fund equity	(479)	(1,336)	(857)
Fund equity - beginning	4,492	4,492	-
Fund equity - ending	\$ 4,013	\$ 3,156	\$ (857)

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenses and
Changes in Fund Equity - Budget and Actual
Parking Facilities Enterprise Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating revenues:			
Fees and charges for services	\$ 2,466	\$ 2,702	\$ 236
Other	-	4	4
Total operating revenues	2,466	2,706	240
Operating expenses:			
Personal services	259	252	7
Fringe benefits	132	123	9
Materials and services	926	872	54
Total operating expenses	1,317	1,247	70
Operating income (loss)	1,149	1,459	310
Nonoperating revenues (expenses):	-	-	-
Income (loss) before operating transfers	1,149	1,459	310
Transfers out	(1,065)	(1,065)	-
Total operating transfers	1,065	1,065	-
Net change in fund equity	84	394	310
Fund equity - beginning	1,867	1,867	-
Fund equity - ending	\$ 1,951	\$ 2,261	\$ 310

INTERNAL SERVICE FUNDS

The internal service funds report activities provided to the departments and agencies on a cost-reimbursement basis. The County has two internal service funds:

Employee Benefits – This funds accounts for the provision of medical, dental, optical, prescription, life and mental health insurance to departments and agencies.

Telecommunications – This fund accounts for the provision of telecommunication services, primarily voicemail.

FRANKLIN COUNTY, OHIO

Combining Statement of Net Assets

Internal Service Funds

December 31, 2005

(Amounts in 000's)

	Employee Benefits	Telecom- munications	Total
Assets:			
Current assets:			
Equity with County Treasurer	\$ 7,716	\$ 337	\$ 8,053
Accounts receivable, net	297	-	297
Due from other funds	2,723	16	2,739
Prepaid items	265	-	265
Total current assets	<u>11,001</u>	<u>353</u>	<u>11,354</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation:			
Depreciable	-	148	148
Total noncurrent assets	<u>-</u>	<u>148</u>	<u>148</u>
Total assets	<u>11,001</u>	<u>501</u>	<u>11,502</u>
Liabilities:			
Current liabilities:			
Accrued wages	24	-	24
Accounts payable	7,163	4	7,167
Total liabilities	<u>7,187</u>	<u>4</u>	<u>7,191</u>
Net assets:			
Invested in capital assets, net of related debt	-	148	148
Unrestricted	3,814	349	4,163
Total net assets	<u>\$ 3,814</u>	<u>\$ 497</u>	<u>\$ 4,311</u>

FRANKLIN COUNTY, OHIO

Combining Statement of Revenues, Expenses and Changes in Net Assets

Internal Service Funds

Year Ended December 31, 2005

(Amounts in 000's)

	Employee Benefits	Telecom- munications	Total
Operating revenues:			
Fees and charges for services	\$ 53,987	\$ 189	\$ 54,176
Other	543	-	543
Total operating revenues	54,530	189	54,719
Operating expenses:			
Personal services	562	-	562
Cost of sales and services	53,386	42	53,428
Depreciation	-	15	15
Total operating expenses	53,948	57	54,005
Operating income (loss)	582	132	714
Total nonoperating revenues (expenses)	-	-	-
Change in net assets	582	132	714
Net assets - beginning	3,232	365	3,597
Net assets - ending	\$ 3,814	\$ 497	\$ 4,311

FRANKLIN COUNTY, OHIO

Combining Statement of Cash Flows

Internal Service Funds

Year Ended December 31, 2005

(Amounts in 000's)

	Employee Benefits	Telecom- munications	Total
Cash flows from operating activities:			
Cash collections from customers	\$ 58,736	\$ 189	\$ 58,925
Cash payments to suppliers	(51,294)	(44)	(51,338)
Cash payments for salaries	(534)	-	(534)
Net cash provided by operating activities	6,908	145	7,053
Increase in cash for the year	6,908	145	7,053
Cash and cash equivalents - beginning	808	192	1,000
Cash and cash equivalents - ending	\$ 7,716	\$ 337	\$ 8,053
Reconciliation of operating income to net cash provided by (used in) operating activities:			
Operating income	\$ 582	\$ 132	\$ 714
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	-	15	15
Changes in operating assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	349	-	349
Due from other funds	3,742	-	3,742
Increase (decrease) in:			
Accrued wages	24	-	24
Accounts payable	2,211	(2)	2,209
Net cash provided by operating activities	\$ 6,908	\$ 145	\$ 7,053

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenses and
Changes in Fund Equity - Budget and Actual
Employee Benefits Internal Service Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating revenues:			
Fees and charges for services	\$ 59,088	\$ 58,209	\$ (879)
Other	-	527	527
Total operating revenues	59,088	58,736	(352)
Operating expenses:			
Personal services	424	419	5
Fringe benefits	117	115	2
Materials and services	58,423	51,284	7,139
Capital outlays	11	10	1
Total operating expenses	58,975	51,828	7,147
Operating income (loss)	113	6,908	6,795
Nonoperating revenues (expenses):	-	-	-
Income (loss) before operating transfers	113	6,908	6,795
Transfers out	(664)	-	664
Total operating transfers	664	-	664
Net change in fund equity	(551)	6,908	7,459
Fund equity - beginning	808	808	-
Fund equity - ending	\$ 257	\$ 7,716	\$ 7,459

FRANKLIN COUNTY, OHIO
Schedule of Revenues, Expenses and
Changes in Fund Equity - Budget and Actual
Telecommunications Internal Service Fund
Non-GAAP Budgetary Basis
Year Ended December 31, 2005
(Amounts in 000's)

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Operating revenues:			
Fees and charges for services	\$ 172	\$ 189	\$ 17
<i>Total operating revenues</i>	<u>172</u>	<u>189</u>	<u>17</u>
Operating expenses:			
Materials and services	50	44	6
Capital outlays	<u>1</u>	<u>-</u>	<u>1</u>
<i>Total operating expenses</i>	<u>51</u>	<u>44</u>	<u>7</u>
 <i>Operating income (loss)</i>	 <u>121</u>	 <u>145</u>	 <u>24</u>
 Nonoperating revenues (expenses):	 <u>-</u>	 <u>-</u>	 <u>-</u>
 <i>Net change in fund equity</i>	 121	 145	 24
Fund equity - beginning	<u>192</u>	<u>192</u>	<u>-</u>
Fund equity - ending	<u><u>\$ 313</u></u>	<u><u>\$ 337</u></u>	<u><u>\$ 24</u></u>

FIDUCIARY FUNDS

AGENCY FUNDS

Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, or other funds. A description of the agency funds follows:

Undivided Taxes – This fund includes the collection and distribution of real estate, property, motor vehicle, and estate taxes.

Payroll and Benefit Revolving – This fund accounts for the collection and distribution of the employer and employee shares of all payroll taxes and other withholdings.

Other Agency Funds – This fund accounts for the collection and distribution of local government taxes levied and collected by the State of Ohio. Also included are the collection and distribution of moneys held by County agencies in outside bank accounts, moneys held outside of the County treasury by the courts, and all funds that are not part of the County's reporting entity, but for whom the County serves as fiscal agent.

FRANKLIN COUNTY, OHIO

Combining Statement of Changes in
Fiduciary Assets and Liabilities
Agency Funds
Year Ended December 31, 2005
(Amounts in 000's)

	Beginning Balance 01/01/05	Additions	Deductions	Ending Balance 12/31/05
UNDIVIDED TAXES				
Assets:				
Equity with County Treasurer	\$ 128,108	\$ 1,906,084	\$ 1,914,737	\$ 119,455
Cash and investments in segregated accounts	5,347	32,167	32,354	5,160
Property taxes receivable, net	1,222,967	1,368,275	1,222,967	1,368,275
Liabilities:				
Undistributed assets	\$ 1,356,365	\$ 3,269,896	\$ 3,133,381	\$ 1,492,880
Deposits held and due to others	57	36,630	36,677	10
PAYROLL AND BENEFIT REVOLVING FUND				
Assets:				
Equity with County Treasurer	\$ 9,893	\$ 302,031	\$ 302,051	\$ 9,873
Liabilities:				
Deposits held and due to others	\$ 9,893	\$ 302,031	\$ 302,051	\$ 9,873
OTHER AGENCY FUNDS				
Assets:				
Equity with County Treasurer	\$ 11,978	\$ 61,558	\$ 58,884	\$ 14,652
Cash and investments in segregated accounts	18,561	253,937	252,648	19,850
Due from other governments	3,198	2,650	3,198	2,650
Liabilities:				
Deposits held and due to others	\$ 33,737	\$ 318,145	\$ 314,730	\$ 37,152
TOTAL ALL AGENCY FUNDS				
Assets:				
Equity with County Treasurer	\$ 149,979	\$ 2,269,673	\$ 2,275,672	\$ 143,980
Cash and investments in segregated accounts	23,908	286,104	285,002	25,010
Due from other governments	3,198	2,650	3,198	2,650
Property taxes receivable, net	1,222,967	1,368,275	1,222,967	1,368,275
Total assets	\$ 1,400,052	\$ 3,926,702	\$ 3,786,839	\$ 1,539,915
Liabilities:				
Undistributed assets	\$ 1,356,365	\$ 3,269,896	\$ 3,133,381	\$ 1,492,880
Deposits held and due to others	43,687	656,806	653,458	47,035
Total liabilities	\$ 1,400,052	\$ 3,926,702	\$ 3,786,839	\$ 1,539,915

COMPONENT UNITS

Component units are legally separate organizations for which the County is financially accountable.

ARC Industries, Incorporated, of Franklin County, Ohio (ARC Industries) – ARC Industries is a sheltered, not-for-profit workshop that enters into contracts with the business community to provide workers for various manufacturing and service industry jobs.

Veterans Memorial Hall – Veterans Memorial Hall was built to commemorate the services of all members and veterans of the United States armed forces and to provide a center for veterans' meetings and programs.

Franklin County Stadium, Inc. and Columbus Baseball Team, Inc. (Stadium and Team) – These two interrelated nonprofit corporations were organized under ORC Chapter 1702 to provide entertainment and recreation in the stadium for the benefit and general welfare of the County.

FRANKLIN COUNTY, OHIO
Combining Statement of Net Assets
Discretely Presented Component Units
Year Ended December 31, 2005
(Amounts in 000's)

	ARC Industries	Veterans Memorial Hall	Stadium and Team	Total
Assets:				
Cash, cash equivalents and investments in segregated accounts	\$ 5,636	\$ 137	\$ 3,159	\$ 8,932
Accounts receivable	834	39	9	882
Due from primary government	432	-	-	432
Inventories	44	-	150	194
Prepaid items	62	60	313	435
Depreciable capital assets	269	255	2,083	2,607
Total assets	7,277	491	5,714	13,482
Liabilities:				
Accrued wages	353	35	-	388
Accounts payable and other current liabilities	184	86	318	588
Unearned revenue	-	130	305	435
Long term liabilities:				
Due in more than one year	-	232	28	260
Total liabilities	537	483	651	1,671
Net assets:				
Invested in capital assets	269	255	2,083	2,607
Unrestricted	6,471	(247)	2,980	9,204
Total net assets	\$ 6,740	\$ 8	\$ 5,063	\$ 11,811

FRANKLIN COUNTY, OHIO
Combining Statement of Activities
Discretely Presented Component Units
Year Ended December 31, 2005
(Amounts in 000's)

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	ARC Industries	Veterans Memorial Hall	Stadium and Team	Total
Component units:							
ARC Industries:							
Health	\$ 8,285	\$ 7,148	\$ 1,340	\$ 203	\$ -	\$ -	\$ 203
Veterans Memorial Hall:							
Conservation and recreation	2,296	2,005	270	-	(21)	-	(21)
Stadium and Team:							
Conservation and recreation	4,057	3,700	-	-	-	(357)	(357)
Total component units	\$ 14,638	\$ 12,853	\$ 1,610	203	(21)	(357)	(175)
General revenues:							
Payments from primary government				-	-	-	-
Grants and contributions				31	-	-	31
Unrestricted investment earnings				150	2	361	513
Total general revenues				181	2	361	544
Change in net assets				384	(19)	4	369
Net assets - beginning				6,356	27	5,059	11,442
Net assets - ending				\$ 6,740	\$ 8	\$ 5,063	\$ 11,811



Statistical Section

FRANKLIN COUNTY, OHIO

Statistical Section

This part of Franklin County Ohio's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents

Tables

Financial Trends

1-4

These schedules contain trend information to help the reader understand how the County's financial position has changed over time.

Revenue Capacity

5-12

These schedules contain information to help the reader understand and assess the factors' effect on the County's ability to generate its most significant local revenue sources, the property tax and the sales tax.

Debt Capacity

**13-16
and 21**

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the county's ability to issue additional debt in the future.

Economic and Demographic Information

17-18

These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place and to provide information that facilitates comparison of financial information over time and among governments.

Operating Information

19-20

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB 34 in 2002; schedules presenting government-wide information include information beginning in that year.

FRANKLIN COUNTY, OHIO

Table 1

Net Assets by Component
(Accrual Basis of Accounting)
Last Four Years
(Amounts in 000's)

	2002	2003	2004	2005
Governmental activities:				
Invested in capital assets, net of related debt	\$ 286,609	\$ 308,191	\$ 305,033	\$ 308,863
Restricted	307,553	343,382	315,368	347,546
Unrestricted	144,326	125,336	104,002	126,627
Total governmental activities net assets	\$ 738,488	\$ 776,909	\$ 724,403	\$ 783,036
Business-type activities:				
Invested in capital assets, net of related debt	\$ 8,175	\$ 9,626	\$ 14,712	\$ 16,520
Restricted	-	-	-	-
Unrestricted	4,186	5,067	6,033	5,578
Total business-type activities net assets	\$ 12,361	\$ 14,693	\$ 20,745	\$ 22,098
Primary government:				
Invested in capital assets, net of related debt	\$ 294,784	\$ 317,817	\$ 319,745	\$ 325,383
Restricted	307,553	343,382	315,368	347,546
Unrestricted	148,512	130,403	110,035	132,205
Total primary government net assets	\$ 750,849	\$ 791,602	\$ 745,148	\$ 805,134

Note: 2002 and 2003 include restated amounts.

FRANKLIN COUNTY, OHIO

Table 2

Changes in Net Assets
(Accrual Basis of Accounting)
Last Four Years
(Amounts in 000's)

	2002	2003	2004	2005
Expenses:				
Governmental activities:				
General government	\$ 78,341	\$ 87,918	\$ 97,951	\$ 89,376
Judicial	61,743	63,326	63,848	64,428
Public safety	110,309	115,260	120,512	130,197
Human services	306,806	324,388	312,037	317,211
Health	256,547	251,971	308,096	291,569
Public works	21,744	27,067	41,027	41,313
Conservation and recreation	14,186	14,250	14,445	14,505
Community development	7,366	6,645	7,668	7,834
Interest and fiscal charges	8,065	8,091	6,383	5,553
Total governmental activities expenses	<u>865,107</u>	<u>898,916</u>	<u>971,967</u>	<u>961,986</u>
Business-type activities:				
Water and sewer	4,849	4,631	4,434	4,541
Parking facilities	1,779	1,733	1,670	1,891
Total business-type activities expenses	<u>6,628</u>	<u>6,364</u>	<u>6,104</u>	<u>6,432</u>
Total primary government expenses	<u>\$ 871,735</u>	<u>\$ 905,280</u>	<u>\$ 978,071</u>	<u>\$ 968,418</u>
Program revenues:				
Governmental activities:				
Charges for services:				
General government	\$ 57,808	\$ 60,953	\$ 54,265	\$ 58,691
Judicial	9,186	10,521	10,872	10,979
Public safety	22,581	21,845	21,764	22,606
Human services	6,479	7,510	9,302	8,932
Health	1,175	1,409	1,708	6,418
Public works	1,239	2,807	2,821	3,084
Community development	280	834	1,112	907
Operating grants and contributions	362,574	353,916	332,904	357,331
Capital grants and contributions	10,891	18,875	8,944	26,232
Total governmental activities program revenues	<u>472,213</u>	<u>478,670</u>	<u>443,692</u>	<u>495,180</u>
Business-type activities:				
Charges for services:				
Water and sewer	4,203	4,314	4,701	5,053
Parking facilities	2,278	2,289	2,512	2,718
Capital grants and contributions	442	45	3,568	45
Total business-type activities program revenues	<u>6,923</u>	<u>6,648</u>	<u>10,781</u>	<u>7,816</u>
Total primary government program revenues	<u>\$ 479,136</u>	<u>\$ 485,318</u>	<u>\$ 454,473</u>	<u>\$ 502,996</u>
Net program revenue (expense):				
Governmental activities net program expense	\$ (392,894)	\$ (420,246)	\$ (528,275)	\$ (466,806)
Business-type activities net program revenue	295	284	4,677	1,384
Total primary government net program expense	<u>\$ (392,599)</u>	<u>\$ (419,962)</u>	<u>\$ (523,598)</u>	<u>\$ (465,422)</u>

Note: Fiscal years 2002 - 2004 reflect restatements and/or reclassifications.

(Continued on next page)

FRANKLIN COUNTY, OHIO

Table 2

Changes in Net Assets
(Accrual Basis of Accounting)
Last Four Years
(Amounts in 000's)

	2002	2003	2004	2005
General revenues and other changes in net assets:				
Governmental activities:				
Property taxes	\$ 284,070	\$ 302,419	\$ 313,562	\$ 337,991
Sales taxes	79,423	82,728	85,718	105,886
Grants not restricted to specific programs	62,398	66,242	66,358	63,506
Unrestricted investment earnings	25,438	9,219	11,506	18,025
Loss on sale of assets	(684)	-	-	-
Special item	(41,363)	-	-	-
Transfers in (out)	(200)	(2,037)	(1,375)	31
Total governmental activities general revenues and other changes in net assets	409,082	458,571	475,769	525,439
Business-type activities:				
Gain on sale of assets	-	11	-	-
Transfers in (out)	200	2,037	1,375	(31)
Total business-type activities general revenues and other changes in net assets	200	2,048	1,375	(31)
Total primary government general revenues and other changes in net assets	\$ 409,282	\$ 460,619	\$ 477,144	\$ 525,408
Total change in net assets:				
Governmental activities change in net assets	\$ 16,188	\$ 38,325	\$ (52,506)	\$ 58,633
Business-type activities change in net assets	495	2,332	6,052	1,353
Total primary government change in net assets	\$ 16,683	\$ 40,657	\$ (46,454)	\$ 59,986

(Continued)

Note: Fiscal years 2002 - 2004 reflect restatements and/or reclassifications.

FRANKLIN COUNTY, OHIO

Fund Balances, Governmental Funds
(Modified Accrual Basis of Accounting)

Last Ten Years
(Amounts in 000's)

Table 3

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
General fund:										
Reserved	\$ 50,602	\$ 28,689	\$ 31,541	\$ 34,235	\$ 37,341	\$ 41,423	\$ 1,843	\$ 2,636	\$ 3,154	\$ 2,376
Unreserved	<u>53,472</u>	<u>74,008</u>	<u>95,394</u>	<u>82,619</u>	<u>132,411</u>	<u>150,498</u>	<u>139,663</u>	<u>122,294</u>	<u>96,037</u>	<u>86,201</u>
Total general fund	<u>104,074</u>	<u>102,697</u>	<u>126,935</u>	<u>116,854</u>	<u>169,752</u>	<u>191,921</u>	<u>141,506</u>	<u>124,930</u>	<u>99,191</u>	<u>88,577</u>
All other governmental funds:										
Reserved	15,444	32,767	33,084	37,601	42,128	31,835	18,953	20,940	18,959	17,225
Unreserved, reported in:										
Special revenue funds	103,491	81,869	84,165	110,205	165,449	184,788	231,383	248,542	213,600	260,734
Debt service fund	1,098	721	239	117	88	1	-	30	29	30
Capital projects fund	<u>669</u>	<u>15,200</u>	<u>9,233</u>	<u>32,897</u>	<u>19,402</u>	<u>5,634</u>	<u>7,237</u>	<u>8,830</u>	<u>4,786</u>	<u>6,273</u>
Total all other governmental funds	<u>120,702</u>	<u>130,557</u>	<u>126,721</u>	<u>180,820</u>	<u>227,067</u>	<u>222,258</u>	<u>257,573</u>	<u>278,342</u>	<u>237,374</u>	<u>284,262</u>
Total governmental funds	<u>\$ 224,776</u>	<u>\$ 233,254</u>	<u>\$ 253,656</u>	<u>\$ 297,674</u>	<u>\$ 396,819</u>	<u>\$ 414,179</u>	<u>\$ 399,079</u>	<u>\$ 403,272</u>	<u>\$ 336,565</u>	<u>\$ 372,839</u>

Note: Fiscal years 1996 - 2004 reflect reclassifications and/or restatements.

FRANKLIN COUNTY, OHIO

Table 4

Changes in Fund Balances, Governmental Funds
(Modified Accrual Basis of Accounting)
Last Ten Years
(Amounts in 000's)

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Revenues:										
Sales tax	\$ 63,684	\$ 68,560	\$ 72,262	\$ 79,030	\$ 82,901	\$ 81,139	\$ 79,622	\$ 81,682	\$ 85,588	\$ 97,633
Real and other taxes	186,015	181,587	211,736	253,438	277,827	285,376	289,733	310,675	315,533	333,844
Licenses and permits	1,422	1,255	1,526	1,223	1,426	1,112	1,273	1,396	1,535	1,606
Fees and charges for services	38,250	36,995	57,167	56,574	58,775	64,915	74,634	78,774	67,936	89,165
Fines and forfeitures	1,196	1,540	1,325	1,568	1,401	1,552	1,655	1,852	2,286	2,522
Intergovernmental	246,970	253,293	309,117	352,765	370,459	388,845	423,867	416,842	396,819	446,133
Investment income	20,376	21,626	23,954	20,448	42,340	43,570	24,697	12,523	11,033	17,006
Other	18,310	19,310	18,633	15,507	19,986	20,564	19,120	23,414	21,755	20,518
Total revenues	<u>576,223</u>	<u>584,166</u>	<u>695,720</u>	<u>780,553</u>	<u>855,115</u>	<u>887,073</u>	<u>914,601</u>	<u>927,158</u>	<u>902,485</u>	<u>1,008,427</u>
Expenditures:										
Current:										
General government	61,497	60,674	82,886	67,445	64,071	73,819	70,907	76,651	83,267	78,583
Judicial	29,792	32,895	34,271	43,730	46,607	53,979	58,561	62,662	63,260	64,203
Public safety	59,795	65,649	70,804	76,150	84,364	92,464	104,966	109,799	117,177	119,272
Human services	171,605	183,783	206,651	231,603	252,770	307,487	306,802	324,661	312,418	318,665
Health	183,848	149,347	200,708	246,294	238,555	257,707	254,013	251,131	306,618	292,420
Public works	29,956	35,205	34,229	34,395	34,110	31,365	38,483	47,945	37,413	38,691
Conservation and recreation	12,711	13,498	12,426	12,898	13,191	13,602	13,959	14,023	14,218	14,278
Community development	3,320	2,993	2,220	3,262	2,992	3,058	6,557	5,489	6,528	5,510
Capital outlays	8,871	8,339	6,894	12,623	19,795	23,037	13,578	5,407	3,884	26,102
Debt service:										
Principal retirement	6,790	6,732	8,165	8,007	7,648	7,782	7,617	8,992	9,096	9,636
Interest and fiscal charges	10,243	10,635	11,024	9,882	9,704	8,607	8,096	8,185	6,952	6,169
Intergovernmental grants	1,039	1,161	3,433	3,286	2,902	2,040	5,346	7,753	7,753	16,550
Total expenditures	<u>579,467</u>	<u>570,911</u>	<u>673,711</u>	<u>749,575</u>	<u>776,709</u>	<u>874,947</u>	<u>888,885</u>	<u>922,698</u>	<u>968,584</u>	<u>990,079</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,244)</u>	<u>13,255</u>	<u>22,009</u>	<u>30,978</u>	<u>78,406</u>	<u>12,126</u>	<u>25,716</u>	<u>4,460</u>	<u>(66,099)</u>	<u>18,348</u>
Other financing sources (uses):										
Transfers in	23,440	21,396	21,536	58,891	38,906	31,433	37,477	31,327	25,089	44,788
Transfers out	(23,440)	(21,318)	(21,463)	(58,825)	(38,843)	(31,951)	(37,677)	(33,364)	(26,464)	(44,757)
Proceeds of bonds and notes	16,000	24,750	-	255	1,942	-	734	599	-	16,703
Capital leases	2,633	668	109	472	711	735	306	707	304	347
Sale of capital assets	84	326	223	183	432	150	347	581	463	845
Total other financing sources (uses)	<u>18,717</u>	<u>25,822</u>	<u>405</u>	<u>976</u>	<u>3,148</u>	<u>367</u>	<u>1,187</u>	<u>(150)</u>	<u>(608)</u>	<u>17,926</u>
Special item - uncollectible receivable	-	(30,413)	-	-	-	-	(41,363)	-	-	-
Net change in fund balances	<u>\$ 15,473</u>	<u>\$ 8,664</u>	<u>\$ 22,414</u>	<u>\$ 31,954</u>	<u>\$ 81,554</u>	<u>\$ 12,493</u>	<u>\$ (14,460)</u>	<u>\$ 4,310</u>	<u>\$ (66,707)</u>	<u>\$ 36,274</u>
Debt service as a percentage of noncapital expenditures	2.99%	3.09%	2.88%	2.43%	2.29%	1.92%	1.80%	1.87%	1.66%	1.64%

Note: Fiscal years 1996 - 2004 reflect reclassifications and/or restatements.

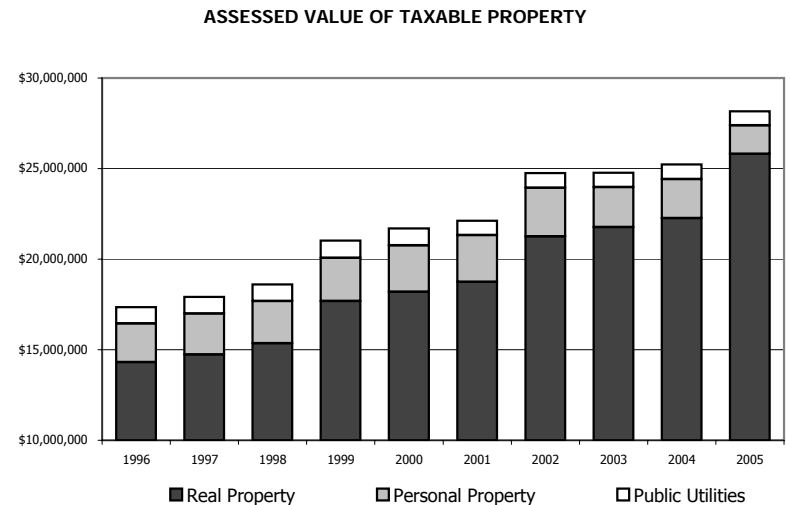
FRANKLIN COUNTY, OHIO
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years
(Amounts in 000's)

Table 5

Tax Year	Real Property		Personal Property		Public Utilities		Total		Ratio
	Assessed Value ¹	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value ⁴	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1996	\$ 14,304,242	\$ 40,869,263	\$ 2,142,943	² \$ 8,571,772	\$ 909,247	\$ 2,597,849	\$ 17,356,432	\$ 52,038,884	33.4%
1997	14,737,666	42,107,617	2,256,250	² 9,025,000	922,373	2,635,351	17,916,289	53,767,968	33.3%
1998	15,360,595	43,887,414	2,319,124	² 9,276,496	927,986	2,651,389	18,607,705	55,815,299	33.3%
1999	17,689,287	50,540,820	2,383,642	² 9,534,568	959,182	2,740,520	21,032,111	62,815,908	33.5%
2000	18,204,578	52,013,080	2,553,204	² 10,212,816	940,870	2,688,200	21,698,652	64,914,096	33.4%
2001	18,749,004	53,568,583	2,579,141	² 10,316,564	783,268	2,237,909	22,111,413	66,123,056	33.4%
2002	21,246,923	60,705,494	2,695,271	² 10,781,084	801,985	2,291,386	24,744,179	73,777,964	33.5%
2003	21,760,810	62,173,743	2,222,664	³ 9,261,100	788,157	2,251,877	24,771,631	73,686,720	33.6%
2004	22,266,430	63,618,371	2,148,071	³ 8,950,296	818,179	2,337,654	25,232,680	74,906,322	33.7%
2005	25,818,193	73,766,266	1,564,678	³ 6,519,492	785,224	2,243,497	28,168,095	82,529,255	34.1%

Source: Franklin County Auditor's Office.

- Notes:
- ¹Assessed value = 35% of estimated actual value.
 - ²Assessed value = 25% of estimated actual value.
 - ³Assessed value = 25% of estimated actual value, except on inventories for which assessed value = 23% of estimated actual value.
 - ⁴Assessment percentage varies depending on type of utility (electric, telecommunication and gas).



FRANKLIN COUNTY, OHIO
Real Property Value and Construction
Last Ten Years
(Amounts in 000's)

Table 6

Tax Year	New Construction			Real Property Value		
	Agricultural/ Residential	Commercial/ Industrial	Total New Construction	Agricultural/ Residential ¹	Commercial/ Industrial ¹	Tax-Exempt ²
1996	\$ 582,124	\$ 384,485	\$ 966,609	\$ 27,065,364	\$ 13,781,001	\$ 8,458,747
1997	666,894	380,648	1,047,542	28,044,905	14,350,657	8,823,683
1998	720,208	496,006	1,216,214	28,689,247	15,198,168	8,848,304
1999	778,365	593,507	1,371,872	33,483,819	17,028,093	9,898,872
2000	739,535	596,765	1,336,300	34,413,861	17,567,667	10,843,918
2001	755,688	553,429	1,309,117	35,350,784	18,196,506	11,599,142
2002	902,251	494,123	1,396,374	40,890,417	19,815,076	13,178,663
2003	995,854	375,633	1,371,487	42,097,663	20,076,080	13,498,844
2004	1,061,898	436,245	1,498,143	43,358,683	20,259,686	14,034,765
2005	1,201,420	601,435	1,802,855	52,467,877	21,298,388	16,062,632

Source: Franklin County Auditor's Office.

Notes: All are appraised values.

¹Prior to any value or class adjustment (e.g., homestead, current agricultural use valuation)

²Includes abated values.

FRANKLIN COUNTY, OHIO
Property Taxes on a \$100,000
Owner-Occupied Home or a Business
City of Columbus / Columbus School District
December 31, 2005

Table 7

Real estate taxes help finance your school district, your city, village or township, your public library, your parks and zoo, and various County services. In the example below, if your home or business has an appraised value of \$100,000 located in the City of Columbus and the Columbus City School District, this is how the taxes were distributed in 2005.

<u>Tax Recipient</u>	<u>Home</u>	<u>Business</u>
Columbus City Schools	\$ 959.84	\$ 1,567.04
Board of MR&DD	139.88	206.73
Children Services	111.25	156.17
City of Columbus	96.16	109.90
ADAMH Board	39.16	61.98
County General Fund	45.02	51.45
Columbus Public Library	23.04	40.98
Office on Aging	19.40	27.24
Zoological Park	19.59	25.23
Metro Parks	12.77	19.04
Total	<u>\$ 1,466.11</u>	<u>\$ 2,265.76</u>

Source: Franklin County Auditors Office

FRANKLIN COUNTY, OHIO
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Value)
Last Ten Years

Table 8

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
County:										
General Fund	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47	\$ 1.47
Children Services	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	5.05	5.05
ADAMH Board	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20
MR & DD	5.15	5.15	7.47	7.47	7.47	7.47	7.47	7.47	7.47	7.47
Zoological Park	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Office on Aging	0.75	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85
Total County rates	<u>\$ 14.57</u>	<u>\$ 14.67</u>	<u>\$ 16.99</u>	<u>\$ 16.99</u>	<u>\$ 16.99</u>	<u>\$ 16.99</u>	<u>\$ 16.99</u>	<u>\$ 16.99</u>	<u>\$ 17.79</u>	<u>17.79</u>
School districts:										
Bexley	\$ 91.92	\$ 91.92	\$ 98.10	\$ 97.73	\$ 111.08	\$ 111.10	\$ 109.72	\$ 113.00	\$ 109.50	\$ 108.45
Canal Winchester	51.10	56.46	55.86	55.91	55.91	62.80	61.20	61.05	61.00	61.25
Columbus	58.11	58.04	57.95	57.57	57.37	57.37	58.80	59.18	67.65	66.47
Dublin	57.90	57.90	65.50	65.22	65.22	65.22	64.60	64.60	64.60	72.50
Gahanna-Jefferson	54.85	54.69	62.09	61.35	61.21	61.24	60.90	61.19	60.14	59.24
Grandview Heights	75.55	75.53	82.32	81.82	81.97	82.17	92.12	92.33	92.45	101.28
Groveport-Madison	48.05	56.85	56.33	55.40	55.05	54.50	53.78	53.88	53.36	52.60
Hamilton	47.26	47.20	47.13	47.09	54.10	54.11	53.75	53.65	53.43	55.57
Hilliard	60.28	59.96	59.71	59.71	65.61	65.61	64.44	64.44	74.40	73.14
Plain	39.08	50.45	49.34	47.46	52.17	52.03	50.17	59.19	58.10	56.16
Reynoldsburg	50.45	55.30	55.12	55.49	55.39	55.28	58.20	58.21	59.63	59.30
South-Western	52.36	52.30	57.18	56.97	56.97	56.61	56.44	56.43	55.23	64.67
Upper Arlington	77.82	77.86	84.03	83.95	83.32	89.52	89.15	89.11	96.24	95.88
Westerville	61.31	61.32	61.15	59.66	63.50	63.40	63.20	63.20	68.01	67.31
Whitehall	65.62	65.61	65.61	65.49	65.52	65.49	65.40	65.40	65.40	65.33
Worthington	72.88	73.66	73.66	72.65	72.60	78.38	77.88	77.71	84.56	83.23
School districts (out-of-County):										
Jonathan Alder	\$ 40.10	\$ 40.10	\$ 40.10	\$ 40.10	\$ 40.10	\$ 40.10	\$ 49.00	\$ 48.60	\$ 48.10	\$ 38.60
Licking Heights	40.70	40.70	40.10	39.60	48.50	48.10	47.53	47.52	47.52	48.50
Madison-Plains	37.25	36.40	35.45	35.45	35.45	35.45	35.45	40.45	40.45	48.45
Olentangy	41.01	42.84	41.57	49.77	49.80	49.80	50.56	50.50	61.00	62.00
Pickerington	65.00	68.96	66.36	66.36	70.30	70.10	70.10	78.00	77.50	77.05
Teays Valley	28.00	25.00	25.00	31.60	31.60	31.60	31.60	31.60	31.60	31.20
Joint vocational school districts:										
Central Ohio	\$ 1.60	\$ 1.60	\$ 1.60	\$ 1.60	\$ 1.10	\$ 1.10	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50
Delaware County	4.40	3.40	3.40	3.40	3.40	3.20	3.20	3.20	3.20	3.20
Eastland	1.20	1.20	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Licking County	2.00	2.00	2.00	2.00	2.00	2.00	3.00	2.80	3.00	3.00

Source: Franklin County Auditor's Office.

(Continued on next page)

FRANKLIN COUNTY, OHIO

Table 8

Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Value)
Last Ten Years

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Corporations:										
Bexley	\$ 5.35	\$ 5.35	\$ 5.35	\$ 5.35	\$ 5.35	\$ 5.35	\$ 7.85	\$ 7.85	\$ 7.85	\$ 7.85
Brice	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20	3.20
Canal Winchester	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Columbus	3.14	3.14	3.14	3.14	3.14	3.14	3.14	3.14	3.14	3.14
Dublin	2.98	2.97	2.97	2.97	2.97	2.97	2.97	2.96	2.96	2.95
Gahanna	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
Grandview Heights	9.30	9.30	10.70	10.70	10.70	10.70	10.70	10.70	10.70	10.70
Grove City	4.90	4.80	4.70	4.60	4.50	4.40	4.30	4.20	4.20	4.20
Groveport	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Harrisburg	5.00	5.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Hilliard	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60
Lockbourne	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Marble Cliff	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Minerva Park	10.10	15.10	16.31	12.32	16.32	16.32	16.13	16.13	16.08	16.09
New Albany	1.95	1.71	1.70	1.57	1.23	1.72	1.73	1.94	1.94	1.94
New Rome	1.20	1.20	1.20	1.20	1.20	1.20	1.20	-	-	-
Obetz	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Pickerington	7.80	7.80	7.80	7.80	7.80	7.80	7.80	7.80	7.80	7.80
Reynoldsburg	0.79	0.78	0.77	0.76	0.76	0.70	0.70	0.70	0.70	0.70
Riverlea	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.50
Upper Arlington	6.23	6.84	6.42	6.39	6.39	6.76	6.86	6.86	6.85	6.74
Urbancrest	5.60	5.60	5.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Valleyview	24.53	24.53	24.53	24.53	24.53	24.53	24.53	24.53	24.53	24.53
Westerville	14.72	14.69	14.65	14.57	14.54	14.50	17.85	18.06	17.95	17.97
Whitehall	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Worthington	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Townships:										
Blendon	\$ 21.45	\$ 22.60	\$ 22.43	\$ 22.41	\$ 22.16	\$ 22.00	\$ 25.40	\$ 25.07	\$ 25.05	\$ 25.02
Brown	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	12.80	12.80
Clinton	25.64	25.64	25.64	25.64	25.64	25.64	25.64	25.64	25.64	25.64
Franklin	13.05	13.05	13.05	13.05	13.05	13.05	13.05	13.05	18.05	18.05
Hamilton	14.55	14.55	14.55	15.05	15.55	15.80	15.80	15.80	15.80	15.80
Jackson	20.20	20.20	20.20	20.20	20.20	20.20	20.20	20.20	20.20	20.20
Jefferson	9.20	9.85	10.82	10.59	10.53	10.50	10.37	10.37	10.28	10.21
Madison	21.80	21.80	21.80	21.80	21.80	21.80	21.80	21.80	21.80	21.80
Mifflin	22.80	20.80	20.80	20.80	21.80	21.80	21.80	21.80	22.80	22.80
Norwich	12.80	12.80	18.80	18.80	18.80	18.80	21.60	21.60	21.60	21.60
Perry	23.80	23.80	23.80	23.80	20.50	23.80	23.80	20.40	18.40	18.40
Plain	9.21	9.42	9.34	10.72	13.58	13.52	13.43	13.12	13.37	13.27
Pleasant	16.20	16.20	16.20	16.20	16.20	16.20	16.20	18.70	18.70	18.70
Prairie	14.00	14.20	14.20	14.20	14.20	14.20	14.20	14.20	14.20	14.20
Sharon	13.10	13.10	13.10	19.10	19.08	19.00	23.50	23.50	23.50	23.50
Truro	12.65	12.65	12.65	12.65	12.65	12.65	16.65	16.65	16.65	16.65
Washington	18.53	18.52	18.51	20.01	20.00	20.00	20.00	20.00	19.99	19.99
Other units:										
Columbus Metropolitan Library	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20
Grandview Heights Public Library	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70
Delaware County District Library	0.29	0.31	0.29	0.24	0.19	0.18	0.15	0.12	0.09	0.08
Metropolitan Park District	0.55	0.55	0.55	0.65	0.65	0.65	0.65	0.65	0.65	0.65
New Albany-Plain Park District**	-	-	-	-	0.75	0.75	0.75	1.27	1.87	1.72
Upper Arlington Public Library	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00
Westerville Public Library***	-	-	-	-	-	-	0.80	0.80	0.80	0.80
Worthington Public Library	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	2.20	4.80

** Effective 2000

*** Effective 2002

(Continued)

FRANKLIN COUNTY, OHIO
Principal Property Taxpayers
December 31, 2005 and December 31, 1996
(Amounts in 000's)

Table 9

2005					1996			
Taxpayer	Assessed Valuation	Rank	Percent of Total	Rank in 1996	Taxpayer	Assessed Valuation	Rank	Percent of Total
Public utilities:					Public utilities:			
Columbus Southern Power Company	\$ 428,773,730	1	1.52%	1	Columbus Southern Power Company	\$ 397,407,790	1	2.29%
Ohio Bell Telephone Company	145,503,830	2	0.52%	2	Ohio Bell Telephone Company	284,972,920	2	1.64%
Columbia Gas of Ohio Inc.	60,604,200	3	0.22%	3	Columbia Gas of Ohio Inc.	153,835,570	3	0.89%
New Par	41,789,310	4	0.15%	-	Columbus Cellular Telephone Company	18,385,510	4	0.11%
Real estate:					Real estate:			
Nationwide Mutual Insurance Company	96,639,140	1	0.34%	1	Nationwide Mutual Insurance Company	52,397,660	1	0.30%
Huntington Center Associates	58,100,000	2	0.21%	2	Huntington Center Associates	50,232,340	2	0.29%
Distribution Land Corp.	54,769,090	3	0.19%	5	American Electric Power	34,241,120	3	0.20%
Duke Realty LP	52,021,440	4	0.18%	7	New Albany Company	29,789,540	4	0.17%
New Albany Company	47,365,470	5	0.17%	4	Distribution Land Corp.	26,633,110	5	0.15%
M/I Homes of Central Ohio	32,066,980	6	0.11%	-	State Teachers Retirement Board of Ohio	24,761,870	6	0.14%
OhioHealth Corp	28,609,680	7	0.10%	-	Duke Realty LP	23,515,600	7	0.13%
Capital South Comm Urban	27,352,320	8	0.10%	-	Donald R. Kenney TR	21,745,340	8	0.13%
American Electric Power	26,350,660	9	0.09%	3	SFERS Real Estate K L P	21,322,040	9	0.12%
Eastrich No. 167 Corp.	26,085,550	10	0.09%	-	Asociated Estates Realty Corp.	20,596,380	10	0.11%
Tangible personal property:¹					Tangible personal property:			
Anheuser Busch Inc.	57,756,888	1	0.21%	3	AT&T Corporation	84,225,770	1	0.49%
Abbott Laboratories	27,724,095	2	0.10%	5	IBM Credit Corporation	54,016,200	2	0.31%
Roxane Laboratories Inc.	22,038,075	3	0.08%	-	Anheuser Busch Inc.	35,810,730	3	0.21%
WalMart Stores East, LP	22,019,820	4	0.08%	-	Compuserve Inc.	32,917,910	4	0.19%
Amerisourcebergen Drug Corp.	22,009,230	5	0.08%	-	Abbott Laboratories	27,085,030	5	0.16%
Medco Health Solutions Inc	20,496,015	6	0.07%	-	Penn Traffic Company	25,906,270	6	0.15%
Time Warner Entertainment Company LP	20,355,855	7	0.07%	-	Banc One Corporation	25,639,940	7	0.15%
Kroger Company	20,344,028	8	0.07%	10	J.C. Penney Company Inc.	24,517,400	8	0.14%
Lucent Technologies Inc.	15,251,453	9	0.05%	-	Techneglas Inc.	23,987,020	9	0.14%
Masterfood USA	14,222,730	10	0.05%	-	Kroger Company	23,859,320	10	0.13%
All others	<u>26,799,845,773</u>		<u>95.15%</u>		All others	<u>15,838,629,702</u>		<u>91.26%</u>
Total	<u><u>\$28,161,095,362</u></u>		<u><u>100.00%</u></u>		Total	<u><u>\$17,356,432,082</u></u>		<u><u>100.00%</u></u>

Source: Franklin County Auditor's Office

Note: ¹ The assessed valuation for tangible personal property tax is 75% of the 2005 actual assessed valuation in conjunction with ORC 5711.

FRANKLIN COUNTY, OHIO

Property Tax Levies and Collections

Last Ten Years

(Amounts in 000's)

Table 10

Fiscal Year	Equalized Tax Levy ¹	Current Tax Collections ²	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections ³	Percent of Total Collections to Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes to Levy
1996	\$ 205,273	\$ 200,177	97.5%	\$ 6,016	\$ 206,193	100.4%	\$ 13,917	6.8%
1997	219,316	213,914	97.5%	6,738	220,652	100.6%	13,351	6.1%
1998	228,439	223,748	97.9%	8,153	231,901	101.5%	13,881	6.1%
1999	279,715	273,824	97.9%	8,757	282,581	101.0%	17,723	6.3%
2000	304,051	295,269	97.1%	7,628	302,897	99.6%	22,582	7.4%
2001	314,141	301,641	96.0%	10,548	312,189	99.4%	27,843	8.9%
2002	319,340	302,203	94.6%	13,132	315,335	98.7%	28,615	9.0%
2003	342,578	324,408	94.7%	14,637	339,045	99.0%	29,103	8.5%
2004	346,556	326,932	94.3%	16,739	343,671	99.2%	23,635	6.8%
2005	380,805	358,907	94.2%	13,005	371,912	97.7%	25,711	6.8%

Source: Franklin County Auditor's Office.

Notes: ¹Levy before adjustment for exempt valuation.

²Current tax collections include state reimbursement for homestead/roll-back.

³Total tax collections include state reimbursement for homestead/roll-back.

FRANKLIN COUNTY, OHIO
Property Tax Levies - Voted and Unvoted
(Per \$1,000 of Assessed Value)
As of December 31, 2005 and December 31, 1996

Table 11

	2005					
	<u>Full Tax Rate</u>	<u>Effective Rate Res/Agr</u>	<u>Effective Rate Com/Ind</u>	<u>Year of Election</u>	<u>Beginning Year of Collection</u>	<u>Final Year of Collection</u>
General Fund	\$ 1.47	\$1.470000	\$1.470000	Unvoted		
Children Services	3.15	2.020176	2.636014	1999	2000	2009
Children Services	1.90	1.612368	1.825979	2004	2005	2014
ADAMH Board	2.20	1.278864	1.770900	1996	1997	2006
MR & DD	1.00	0.246493	0.406425	1977	1978	Indefinite
MR & DD	0.65	0.232448	0.365500	1982	1983	Indefinite
MR & DD	2.32	1.480310	1.928966	1998	1999	2008
MR & DD	3.50	2.608298	3.205573	2002	2003	2012
Zoological Park	0.75	0.639786	0.720781	2004	2005	2019
Office on Aging	0.85	0.633443	0.778496	2002	2003	2007
Total	<u>\$ 17.79</u>	<u>\$12.222186</u>	<u>\$15.108634</u>			

	1996					
	<u>Full Tax Rate</u>	<u>Effective Rate Res/Agr</u>	<u>Effective Rate Com/Ind</u>	<u>Year of Election</u>	<u>Beginning Year of Collection</u>	<u>Final Year of Collection</u>
General Fund	\$ 1.47	\$1.470000	\$1.470000	Unvoted		
Children Services	1.10	1.007077	1.068852	1996	1997	2004
Children Services	3.15	2.198983	2.835491	1989	1990	1999
ADAMH Board	2.20	2.014155	2.137704	1996	1997	2006
MR & DD	1.00	0.388212	0.490603	1977	1978	Indefinite
MR & DD	0.65	0.366095	0.441202	1982	1983	Indefinite
MR & DD	3.50	2.791579	3.376194	1992	1993	2002
Zoological Park	0.75	0.682380	0.728763	1995	1996	2005
Office on Aging	0.75	0.598195	0.723470			
Total	<u>\$ 14.57</u>	<u>\$11.516676</u>	<u>\$13.272279</u>			

Source: Franklin County Auditor's Office.

Note: Tax rates displayed are for tax years 2005 and 1996, to be collected in 2006 and 1997, respectively.

FRANKLIN COUNTY, OHIO
Other Major General Fund Revenue Sources
Last Ten Years
(Amounts in 000's)

Table 12

County sales tax:

The County imposed a one-half percent sales tax effective September 1, 1985 and an additional one-half percent effective October 1, 2005 continuing through calendar years 2006 and 2007. Effective January 1, 2008, and each year thereafter, the rate of tax shall be increased by only one-fourth of one percent. The sales tax may be repealed if a majority of voters approve the repeal at a general election. The question of repeal must be placed on the ballot by a petition signed by qualified voters equal in number to 10% of those voting for governor in the last gubernatorial election. No such petition has been filed with the County Board of Elections.

Fiscal Year	Amount
1996	\$ 63,684
1997	68,560
1998	72,262
1999	79,030
2000	82,901
2001	81,139
2002	79,423
2003	82,728
2004	85,718
2005	105,886

Local government fund:

The Ohio local government fund was created by statute and is comprised of designated state revenues, which are distributed to each county and then allocated among the county and cities, villages and townships in the county on the basis of statutory formulas. The following table shows local government fund receipts for the County's General Fund.

Fiscal Year	Amount
1996	\$ 21,701
1997	23,237
1998	25,210
1999	26,096
2000	27,852
2001	28,961
2002	26,913
2003	27,213
2004	25,593
2005	26,778

Source: Franklin County Auditor's Office.

Note: Fiscal Year 2002 and later reflect accrual basis of accounting as reported in the government-wide financial statements.

FRANKLIN COUNTY, OHIO

Ratios of Outstanding Debt by Type

Last Ten Years

(Amounts in 000's, Except Per Capita)

Table 13

Fiscal Year	Governmental Activities					Business-type Activities			Total Primary Government	Personal Income		Debt Per Capita ²
	General Obligation Bonds	Bonds Supported by Lease Revenues	Notes and Loans	Capital Leases	Total	Bonds	Notes and Loans	Total		Total ¹	Percentage	
1996	\$ 161,170	\$ -	\$ 3,268	\$ 3,255	\$ 167,693	\$ -	\$ 3,114	\$ 3,114	\$ 170,807	\$ 25,627,000	0.67%	\$ 166.22
1997	180,350	-	3,006	3,030	186,386	-	3,017	3,017	189,403	27,021,000	0.70%	181.77
1998	173,740	-	2,532	2,047	178,319	-	3,374	3,374	181,693	28,685,000	0.63%	171.92
1999	167,015	-	2,400	1,604	171,019	-	3,433	3,433	174,452	29,983,000	0.58%	163.35
2000	151,110	-	4,274	1,486	156,870	9,111	3,098	12,209	169,079	31,616,000	0.53%	158.17
2001	144,200	-	4,414	1,610	150,224	8,773	2,962	11,735	161,959	31,913,000	0.51%	148.80
2002	131,500	6,380	4,456	1,294	143,630	8,020	2,884	10,904	154,534	32,955,000	0.47%	140.33
2003	129,471	5,350	3,809	1,642	140,272	7,135	2,724	9,859	150,131	33,205,000	0.45%	134.75
2004	120,260	4,300	2,912	1,044	128,516	6,440	2,553	8,993	137,509	34,043,000	0.40%	121.49
2005	128,315	3,175	2,014	736	134,240	5,705	5,435	11,140	145,380	34,754,000	0.42%	126.99

Source: Franklin County Auditor's Office

Notes: ¹ Woods & Poole Economics

² See Table 14 for population data.

FRANKLIN COUNTY, OHIO
Ratios of General Bonded Debt Outstanding
Last Ten Years
(Amounts in 000's)

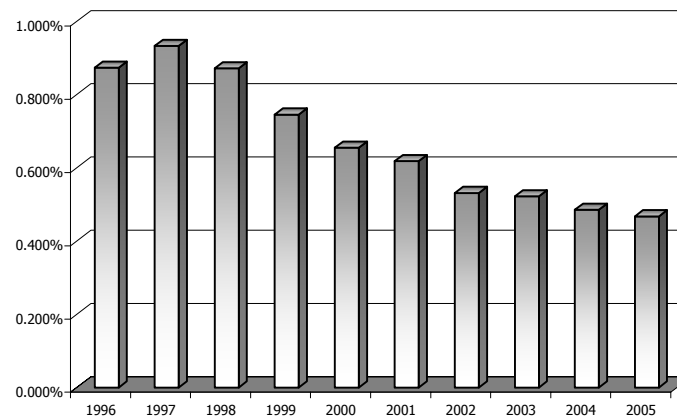
Table 14

<u>Tax Year</u>	<u>Population^{1,2}</u>	<u>Assessed Value</u>	<u>Gross Bonded Debt</u>	<u>Less Unreserved Debt Service Funds</u>	<u>Less Debt Supported by Enterprise Funds and Lease Revenues</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt per Capita²</u>
1996	1,027,599	\$ 17,356,432	\$ 169,370	\$ 523	\$ 17,175	\$ 151,672	0.874%	\$ 147.60
1997	1,042,011	17,916,289	187,730	721	19,815	167,194	0.933%	160.45
1998	1,056,863	18,607,705	180,300	239	17,825	162,236	0.872%	153.51
1999	1,067,993	21,032,111	172,755	117	15,830	156,808	0.746%	146.82
2000	1,068,978	21,698,652	165,070	88	22,865	142,117	0.655%	132.95
2001	1,088,445	22,111,413	157,000	1	20,200	136,799	0.619%	125.68
2002	1,101,225	24,744,179	149,180	1	17,680	131,499	0.531%	119.41
2003	1,114,159	24,771,631	142,230	30	12,759	129,441	0.523%	116.18
2004	1,131,895	25,232,680	133,552	29	10,978	122,545	0.486%	108.27
2005	1,144,820	28,168,095	140,798	30	9,083	131,685	0.467%	115.03

Sources: ¹ See Table 17.

² Population and Net Bonded Debt per Capita amounts are not in thousands.

RATIO OF NET BONDED DEBT TO ASSESSED VALUE



FRANKLIN COUNTY, OHIO

Table 15

Computation of Legal Debt Margin
Last Ten Years
(Amounts in 000's)

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005 ³
Total assessed property value	<u>\$ 17,356,432</u>	<u>\$ 17,916,289</u>	<u>\$ 18,607,705</u>	<u>\$ 20,032,111</u>	<u>\$ 21,698,652</u>	<u>\$ 22,111,413</u>	<u>\$ 24,744,179</u>	<u>\$ 24,771,631</u>	<u>\$ 25,232,680</u>	<u>\$ 28,168,095</u>
Total debt limit:										
Debt limit of assessed value ¹	\$ 432,411	\$ 446,407	\$ 463,693	\$ 499,323	\$ 540,966	\$ 551,285	\$ 617,105	\$ 617,791	\$ 629,317	\$ 702,702
Amount of debt applicable to limit:										
General obligation bonds and notes	119,805	116,445	112,320	108,140	103,890	99,315	95,281	88,439	84,926	90,205
Less amount available in debt service fund	<u>(523)</u>	<u>(721)</u>	<u>(239)</u>	<u>(117)</u>	<u>(88)</u>	<u>(1)</u>	<u>(1)</u>	<u>(30)</u>	<u>(29)</u>	<u>(30)</u>
Amount of debt subject to limit	<u>119,282</u>	<u>115,724</u>	<u>112,081</u>	<u>108,023</u>	<u>103,802</u>	<u>99,314</u>	<u>95,280</u>	<u>88,409</u>	<u>84,897</u>	<u>90,175</u>
Legal debt margin	<u>\$ 313,129</u>	<u>\$ 330,683</u>	<u>\$ 351,612</u>	<u>\$ 391,280</u>	<u>\$ 437,164</u>	<u>\$ 451,971</u>	<u>\$ 521,825</u>	<u>\$ 529,382</u>	<u>\$ 544,420</u>	<u>\$ 612,527</u>
Legal debt margin as a percentage of the debt limit	72.41%	74.08%	75.83%	78.37%	80.81%	81.98%	84.56%	85.69%	86.51%	87.17%
Unvoted debt limit:										
Unvoted debt limit of assessed value ²	\$ 173,564	\$ 179,163	\$ 186,077	\$ 200,321	\$ 216,987	\$ 221,114	\$ 247,442	\$ 247,716	\$ 252,327	\$ 281,681
Amount of debt subject to limit	<u>119,282</u>	<u>115,724</u>	<u>112,081</u>	<u>108,023</u>	<u>103,802</u>	<u>99,314</u>	<u>95,280</u>	<u>88,409</u>	<u>84,897</u>	<u>90,175</u>
Unvoted legal debt margin	<u>\$ 54,282</u>	<u>\$ 63,439</u>	<u>\$ 73,996</u>	<u>\$ 92,298</u>	<u>\$ 113,185</u>	<u>\$ 121,800</u>	<u>\$ 152,132</u>	<u>\$ 159,307</u>	<u>\$ 167,430</u>	<u>\$ 191,506</u>
Unvoted legal debt margin as a percentage of the unvoted debt limit	31.28%	35.41%	39.77%	48.08%	52.16%	55.08%	61.48%	64.31%	66.35%	67.99%

Notes: ¹ Debt limit is a total of a sum equal to three percent of the first \$100,000,000 of the assessed valuation plus one and one-half percent of such valuation in excess of \$100,000,000 and not in excess of \$300,000,000 plus two and one-half percent of such valuation in excess of \$300,000,000.

² Debt limit is one percent of total assessed valuation.

³ General obligation bonds and notes subject to debt limit calculations:

General obligation bonds-governmental activities	\$ 128,315
General obligation bonds-lease revenue	3,175
Notes payable-governmental activities	2,014
General obligation bonds-business-type activities	5,705
Notes payable-business-type activities	5,435
Total outstanding debt	<u>144,644</u>

Exemptions:

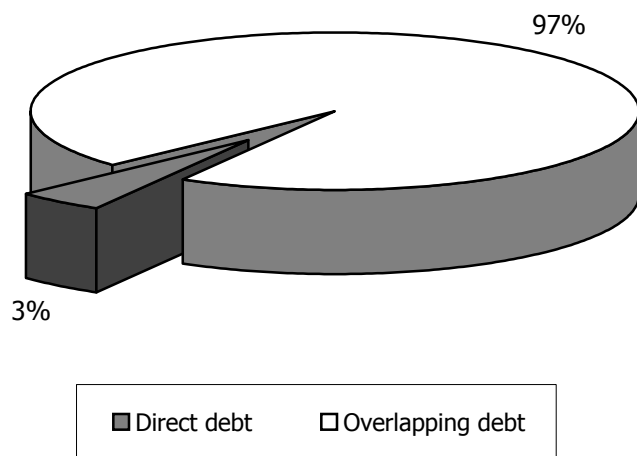
Debt Service fund balance	30
Used for jail construction or renovation	17,490
Used for road or bridge construction	7,014
Used for construction of solid waste facilities	14,130
Self-supported debt	15,310
Used for acquisition of voting machines	495
Total exemptions	<u>54,469</u>

Net debt	<u>\$ 90,175</u>
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FRANKLIN COUNTY, OHIO
Computation of Direct and Overlapping Debt
As of December 31, 2005
(Amounts in 000's)

Table 16

Political Subdivision	Debt Outstanding	Estimated Percentage Applicable¹	Estimated Share of Overlapping Debt¹
Direct debt:			
Franklin County	\$ 140,798	100.0%	\$ 140,798
Entities wholly within County:			
Cities	1,014,468	100.0%	1,014,468
Villages	39,748	100.0%	39,748
Townships	4,922	100.0%	4,922
School districts	525,912	100.0%	525,912
Entities partially within County:			
Cities	1,628,845	95.8%	1,560,434
Villages	60,791	89.2%	54,226
Townships	2,835	86.6%	2,455
School districts	834,442	66.5%	554,904
Special district	5,890	80.2%	4,724
Total overlapping debt	4,117,853	91.4%	3,761,793
Total direct and overlapping debt	\$ 4,258,651	91.6%	\$ 3,902,591



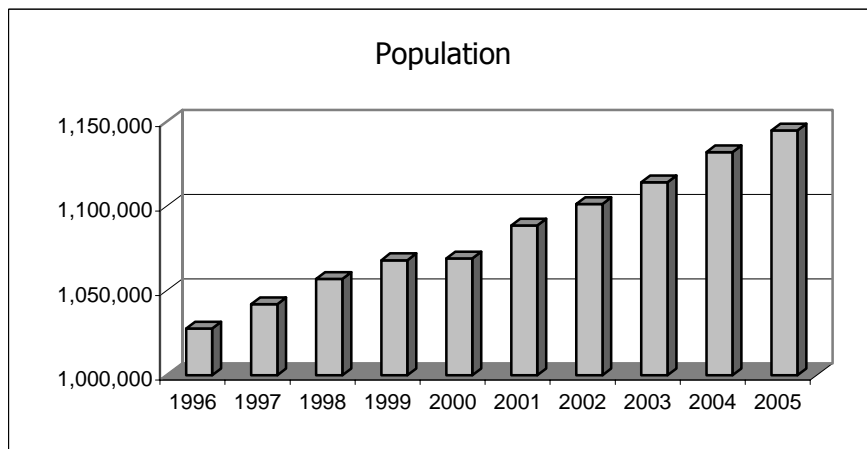
Source: Debt schedules submitted by political subdivisions to the Franklin County Budget Commission and Settlement Division.

Note: ¹Some political subdivisions are not wholly located within the legal boundaries of Franklin County. For those entities, amount applicable to Franklin County is determined by dividing the assessed valuation of the Franklin County portion of the subdivision by the total assessed valuation. 2005 tax year valuations were used. Major entities partially within Franklin County include the cities of Columbus, Dublin, Pickerington, Reynoldsburg, and Westerville, along with their respective school districts.

FRANKLIN COUNTY, OHIO
Demographic and Economic Statistics
Last Ten Years

Table 17

Year	Demographics				Average Unemployment Rates ⁴		
	Population ¹	Per Capita Income ²	Median Age ²	K-12 School Enrollment ³	Franklin County	State of Ohio	United States
1996	1,027,599	\$ 26,143	32.4	183,341	2.9%	4.9%	5.6%
1997	1,042,011	\$ 27,950	32.6	185,206	2.7%	4.6%	4.9%
1998	1,056,863	\$ 29,425	32.8	190,949	2.5%	4.3%	4.5%
1999	1,067,993	\$ 30,419	32.9	193,003	2.5%	4.3%	4.2%
2000	1,068,978	\$ 31,527	33.0	201,960	2.4%	4.1%	4.0%
2001	1,088,445	\$ 32,036	32.7	197,828	2.8%	4.3%	4.8%
2002	1,101,225	\$ 33,465	33.1	199,439	4.4%	5.7%	5.8%
2003	1,114,159	\$ 34,152	33.2	194,365	4.7%	6.0%	6.0%
2004	1,131,895	\$ 35,542	33.8	204,254	5.4%	6.1%	5.5%
2005	1,144,820	\$ 37,914	NA	207,702	5.3%	5.9%	5.1%



Source: ¹ Estimates by Mid-Ohio Regional Planning Commission, except for 2000 which was provided by the U.S. Department of Commerce, Bureau of the Census.

² Woods & Poole Economics Inc.

³ Ohio Department of Education, Division of Information Management Services.

⁴ Ohio Department of Job and Family Services.

FRANKLIN COUNTY, OHIO

Table 18

Principal Employers
As of December 31, 2005 and December 31, 1996

Employer	Principal Business	2005			
		Number of Employees	Rank	Percentage of Total Employment	Rank in 1996
State of Ohio	Government	30,009	1	5.10%	1
The Ohio State University	Education	18,763	2	3.19%	2
JP Morgan Chase & Co.(formerly Bank One)	Finance	13,707	3	2.33%	5
Nationwide	Finance	11,002	4	1.87%	6
United States Government	Government	10,365	5	1.76%	3
Ohio Health(formerly Grant/Riverside)	Health Care	9,038	6	1.54%	9
Columbus Public Schools	Education	7,905	7	1.34%	7
City of Columbus	Government	7,890	8	1.34%	8
Limited Brands	Trade	7,200	9	1.22%	4
Franklin County	Government	6,131	10	1.04%	-
Total principal employers		<u>122,010</u>		<u>20.75%</u>	
Total employment within the County		<u>588,100</u>		<u>100.00%</u>	

Employer	Principal Business	1996			
		Number of Employees	Rank	Percentage of Total Employment	Rank in 2005
State of Ohio	Government	28,132	1	5.09%	1
The Ohio State University	Education	15,347	2	2.78%	2
United States Government	Government	14,500	3	2.62%	5
Limited Brands	Trade	9,500	4	1.72%	9
Bank One Corporation	Finance	9,317	5	1.69%	3
Nationwide	Finance	8,260	6	1.50%	4
Columbus Public Schools	Education	7,458	7	1.35%	7
City of Columbus	Government	7,346	8	1.33%	8
Grant/Riverside Methodist Hospital	Health Care	6,328	9	1.15%	6
A T & T	Manufacturing	6,200	10	1.12%	-
Total principal employers		<u>112,388</u>		<u>20.35%</u>	
Total employment within the County		<u>552,400</u>		<u>100.00%</u>	

Source: Business First, Book of Lists

FRANKLIN COUNTY, OHIO
County Government Employees by Function/Activity
As of December 31, 2005

Table 19

	<u>2005</u>
General government:	
Commissioners	25.50
Auditor	115.00
Treasurer	47.00
Board of Elections	95.50
Recorder	58.00
Data Center	64.50
Purchasing	14.00
Fleet Management	8.00
Human Resources	20.00
Public Facilities Management	215.50
Judicial:	
Common Pleas Court	285.00
Probate Court	49.50
Domestic Relations/Juvenile Court	358.00
Municipal Court	20.00
Clerk of Courts	227.00
Prosecuting Attorney	193.50
Court of Appeals	38.00
Justice Programs	5.00
Public Defender	141.50
Public safety:	
Sheriff	839.50
Coroner	27.00
Animal Control	54.50
Emergency Management Agency	7.00
Public works:	
Engineer	178.00
Health:	
MRDD	1,251.50
ADAMH Board	59.00
Office on Aging	75.00
Human services:	
Job and Family Services	616.50
Children Services	717.00
Child Support Enforcement Agency	274.00
Veterans Service Commission	17.50
Community and economic development:	
Development	14.00
Water and sewer operations:	
Sanitary Engineer	12.00
Parking facilities operations:	
Public Facilities Management:	8.00
Total	<u><u>6,131.00</u></u>

Source: Franklin County Auditor's Office

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

FRANKLIN COUNTY, OHIO
Operating Indicators and Capital Asset Statistics
Last Four Years

Table 20

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
General government:				
Commissioners:				
Number of resolutions presented	1,317	1,184	1,122	1,060
Purchasing:				
Number of bid contracts awarded	254	259	209	220
Number of purchase orders issued	11,143	11,037	10,800	9,832
Public Facilities Management:				
Number of buildings maintained	21	22	22	22
Fleet Management:				
Number of titled vehicles	402	402	387	382
Auditor:				
Real Estate				
Number of parcels on file	389,083	396,047	401,998	408,694
Fiscal Services				
Number of payment requests processed	NA	374,733	389,992	382,403
Data Center:				
Number of users supported	3,864	4,136	4,237	4,237
Recorder:				
Number of deeds recorded	53,616	57,584	58,922	57,458
Number of mortgages recorded	114,763	146,944	101,241	93,601
Treasurer:				
Net portfolio earnings	5.2%	2.6%	2.0%	2.8%
Board of Elections:				
Number of registered voters	706,668	724,851	845,720	736,789
Number of voters last general election	285,685	185,469	533,575	217,725
Percentage of registered voters that voted	40.4%	25.6%	63.1%	29.6%
Risk Management:				
Number of workers compensation claims on file	467	435	474	387
Clerk of Courts:				
Number of titles processed	656,738	672,785	650,813	654,465
Judicial:				
Prosecuting Attorney:				
Number of criminal cases filed	NA	29,020	31,109	33,482
Number of civil cases filed	NA	275	556	595
Public Defender:				
Number of cases filed	63,064	77,118	73,114	66,570
Court of Appeals:				
Number of cases filed	1,446	1,291	1,388	1,374
Common Pleas Court:				
Number of civil cases filed	14,595	14,294	13,825	14,891
Number of criminal cases filed	7,530	8,747	8,442	8,874
Number of domestic cases filed	6,029	5,859	6,093	6,136
Number of court rooms	17	17	17	17
Domestic and Juvenile Court:				
Number of cases filed	15,102	15,005	15,290	16,209
Probate Court:				
Number of civil cases filed	256	267	288	292
Number of court rooms	1	1	1	1
Municipal Court:				
Number of civil cases filed	38,625	41,626	43,286	45,372
Number of criminal cases filed	161,901	169,548	158,454	164,095
Number of small claims cases filed	11,148	11,247	9,567	9,064
Number of court rooms	16	16	16	16

(Continued on next page)

FRANKLIN COUNTY, OHIO
Operating Indicators and Capital Asset Statistics
Last Four Years

Table 20

	2002	2003	2004	2005
Public safety:				
Coroner:				
Number of autopsies performed	1,279	1,462	1,375	1,423
Sheriff:				
Jail Operation				
Average daily jail census	2,238	2,409	2,342	2,366
Prisoners booked	41,339	40,349	39,668	40,266
Prisoners released	41,009	40,295	39,779	40,271
Enforcement				
Number of incidents reported	68,478	63,997	67,329	62,927
Number of traffic citations issued	14,867	14,617	11,726	14,484
Number of civil papers served	127,700	121,618	135,760	132,491
Number of runs dispatched	253,890	233,110	221,512	358,245
Number of Sheriff's vehicles	176	174	192	180
Emergency Management Agency:				
Number of emergency responses	NA	NA	NA	15
Animal Care & Control:				
Number of service requests	16,853	15,772	15,932	15,856
Number of dogs impounded	14,223	12,977	12,495	13,095
Number of dogs adopted/returned to owner	6,486	5,844	5,719	5,843
Human services:				
Veterans Service Commission:				
Number of veterans entering office	4,065	12,098	11,592	13,679
Number of financial claims filed	2,600	2,955	4,450	5,503
Number of veterans receiving financial assistance	1,940	3,533	2,275	3,000
Office on Aging:				
Number of seniors served	6,399	6,257	6,219	6,047
Job and Family Services:				
Number of clients - child care	147,949	153,229	133,958	129,660
Number of clients - food stamps	74,215	89,995	103,109	112,432
Number of clients - cash assistance	25,019	26,387	26,470	26,328
Number of clients - Medicaid	134,395	151,508	164,427	174,522
Number of clients - WIA	10,446	24,000	28,500	23,258
Number of clients - job placement	4,929	4,946	4,978	4,948
Children Services:				
Number of children helped through direct services	27,601	27,270	27,234	29,251
Number of children placed in adoptive homes	325	310	287	238
Number of child welfare investigations	10,281	10,731	10,002	10,299
Number of children in foster home care	3,747	3,703	3,765	3,732
Number of children served in paid placement	5,004	4,774	4,815	4,798
Child Support Enforcement Agency:				
Number of active support orders	NA	NA	NA	50,343
Percentage collected-level of service	NA	NA	NA	83.0%
Health:				
MR & DD:				
Number of students enrolled				
Early intervention/education program	NA	2,488	2,540	2,779
Sheltered workshop/community employment program	NA	2,275	2,280	2,354
Habilitation	NA	452	475	575
Number of facilities	13	13	13	13
Number of buses	226	209	214	206
ADAMH Board:				
Number of adults treated	NA	24,014	24,478	25,882
Number of children and adolescents treated	NA	8,167	9,795	10,660
Number of adults receiving prevention services	NA	61,730	43,749	47,851
Number of children and adolescents receiving prevention services	NA	63,130	79,620	58,365

(Continued on next page)

FRANKLIN COUNTY, OHIO
Operating Indicators and Capital Asset Statistics
Last Four Years

Table 20

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Public Works				
Engineer				
Miles of road maintained	304	300	288	282
Miles of road resurfaced	45	45	39	10
Number of County maintained bridges	369	360	371	369
Water and sewer operations:				
Miles of water mains	61	62	62	62
Miles of sanitary sewer lines	82	82	82	82
Number of sewer and water treatment facilities	5	5	5	6
Number of pumping stations	2	2	2	2
Number of water customers	4,650	4,650	4,650	4,334
Number of sewer customers	5,850	5,850	5,850	5,990
Parking facilities:				
Number of parking facilities managed	4	4	4	8

Source: Various Franklin County agencies.

(Continued)

FRANKLIN COUNTY, OHIO
Securities and Exchange Commission Rule 15c2-12
Compliance Information
December 31, 2005

Table 21

On October 26, 2005, the County issued \$40,980,000 in various purpose limited tax general obligation bonds. The proceeds were used for the purposes of (1) advance refunding certain outstanding obligations of the County, (2) paying costs of improving certain roads within the County, (3) paying costs of acquiring a building for use by the Franklin County Children Services Board and (4) paying costs of issuance with respect to the bonds. Cash and non-callable direct obligations of the United States, in an amount sufficient for the payment of all advance-refunded bonds, were deposited in an irrevocable trust fund with The Huntington National Bank as escrow deposit trustee.

In January 2006, the Board of Commissioners approved the issuance of bond anticipation notes for the purpose of acquiring real property to be used as the site of a new county stadium. The County Treasurer purchased \$11,500,000 in notes on February 15, 2006; the notes mature on January 15, 2007 and bear interest at a rate of 5.0 percent. On March 10, 2006, the County treasurer purchased \$4,000,000 in notes with the same maturity date, with an interest rate of 5.25 percent.

No other obligations have been sold from that date through the date of this letter, June 29, 2006.

The following description of significant events is provided in compliance with the Rule for existing obligations outstanding at December 31, 2005.

1. There were no delinquencies of principal and/or interest payments.
2. There were no non-payment related defaults.
3. There have been no modifications to rights of the holders of the County's obligations.
4. There were no calls of the County's obligations outstanding during 2005.
5. The County did not defease any bonds during 2005.
6. There were no rating changes during 2005. The County maintains the highest long-term bond rating given by both Moody's Investors Services (Aaa) and the Standard & Poors Corporation (AAA).
7. There have been no adverse tax opinions or events affecting the tax-exempt status of any of the County's outstanding obligations.
8. There were no unscheduled draws on debt service reserves reflecting financial difficulties.
9. There were no unscheduled draws on credit enhancements reflecting financial difficulties.
10. There was no substitution of credit or liquidity providers, nor was there a failure to perform.
11. The County did not release, substitute or sell any property securing repayment of its obligations. The County has not secured any of its outstanding obligations with property.
12. The County will continue to provide all necessary annual information. The Comprehensive Annual Financial Report of Franklin County, Ohio, will be filed with the Municipal Securities Rulemaking Board and to the Central Post Office (DisclosureUSA).



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